

USAID/MALAWI

**RESULTS REVIEW
AND
RESOURCE REQUEST**

FY 2000

PART 1 - RESULTS REVIEW

March 2, 1998

March 5, 1998

Carol Peasley
Acting Assistant Administrator for Africa
United States Agency for International Development
Washington, DC 20521

Dear Carol:

I have reviewed USAID/Malawi's Results Review and Resource Request (R4) document and find the document to be in full conformance with the Mission Performance Plan. It accurately reflects achievements in the USAID program; points out implementation problems the Mission is facing; and identifies policy, programmatic issues and challenges that lie ahead. I believe the R4 also outlines appropriate approaches and management actions to pursue in coming years to address the development challenges in Malawi.

As part of this R4 process, USAID carried out extensive consultations with stakeholders and implementing partners in retreats and focus groups. Partners were encouraged to submit short written accounts of results achieved in 1997 which provided additional, but largely qualitative data for the R4 report. These accounts have been sent to the Malawi Desk in USAID/Washington as supplemental material.

The consultative process has been inclusive and customer focused. I have been kept fully informed of the process, and am pleased to endorse this R4 submission.

Sincerely,

(signed)

A. Ellen Shippy
Ambassador

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ACRONYMS

ACDI	Agricultural Cooperative Development International
ADMARC	Agricultural Development and Marketing Corporation
AFSI	Africa Food Security Initiative
AHL	Auction Holdings Limited
AIDS	Acquired Immune Deficiency Syndrome
APRU	Agricultural Policy Research Unit, Bunda College
ASAP	Agricultural Sector Assistance Program
ATRIP	Africa Trade and Investment Promotion
BIMI	Blantyre Integrated Malaria Initiative
CARER	Centre for Advice, Research and Education on Rights
CBDA	Community-Based Distribution Agents
CBNRM	Community-Based Natural Resource Management
CDIE	Center for Development Information and Evaluation
CDLMIS	Contraceptive Distribution & Logistics Management Information System
CHAM	Christian Health Association of Malawi
CHAPS	Community Health Partnerships
CHSU	Community Health Services Unit
COPE	Community-Based Options for Protection and Empowerment
CSO	Civil Society Organization
CSP	Country Strategic Plan
D/G	Democracy and Governance
DHO	District Health Office/Officer
DHS	Demographic and Health Survey
DRF	Drug Revolving Fund
EA	Environmental Assessment
EBF	Exclusive Breast Feeding
EIS	Environmental Information System
EMA	Environmental Management Act
EMIS	Education Management Information System
ESF	Economic Support Funds
EU	European Union
FEWS	Famine and Early Warning System
FF	Farm Family
FINCA	Foundation for International Community Assistance
FPE	Free Primary Education
FSN	Foreign Service National
FY	Financial Year

GAC	Gender Appropriate Curriculum
GABLE	Girls' Attainment in Basic Literacy and Education
GDP	Gross Domestic Product
GIS	Geographic Information System
GOM	Government of Malawi
G/PHN	AID/Washington Global Bureau's Center for Population, Health & Nutrition
HIID	Harvard Institute for International Development
HIV	Human Immunodeficiency Virus
HYV	High Yielding Variety
ICTA	International Center for Tropical Agriculture
IEE	Initial Environmental Examination
IFES	International Foundation for Electoral System
IMCI	Integrated Management of Childhood Illness
IR	Intermediate Result
ITM	Insecticide-Treated Material
KAP	Knowledge, Attitude, and Practices
M&E	Monitoring and Evaluation
MAI	Ministry of Agriculture and Irrigation
MBC	Malawi Broadcasting Corporation
MIITEP	MOE's teacher development plan
ML/LA	Minilaparotomy under Local Anesthetic
MOE	Ministry of Education
MOHP	Ministry of Health and Population
MP	Member of Parliament
MPP	Mission Performance Plan
MUSCCO	Malawi Union of Savings and Credit Cooperatives
NACP	National AIDS Control Program
NASFAM	National Association of Smallholder Farmers of Malawi
NATURE	Natural Resources Management Program
NDI	National Democratic Institute
NEP	National Environmental Policy
NGO	Non-governmental Organization
NPA	Non-Project Assistance
NRM	Natural Resource Management
NSCM	National Seed Company of Malawi
OE	Operating Expense
ORS/T	Oral Rehydration Salts/Therapy
OYB	Operating Year Budget
PA	Project Assistance
PIF	Policy Investment Framework
PLUS	Public Lands Utilization Study
PSI	Population Service International
PVO	Private Voluntary Organization

R4	Results Review and Resource Request
RCSA	Regional Center for Southern Africa
RF	Results Framework
RP	Results Package
SADP	Smallholder Agribusiness Development Project
SCF/US	Save the Children Fund/United States
SFFRFM	Smallholder Farmers Fertilizer Revolving Fund of Malawi
SMC	Social Mobilization Campaign
SO	Strategic Objective
SP	Sulphadoxine-pyrimethamine
STAFH	Support to AIDS and Family Health
STD	Sexually Transmitted Disease
TBD	To Be Determined
TCC	Tobacco Control Commission
UNICEF	United Nations Children's Fund
UNFPA	United Nations Fund for Population Activities
UNIMA	University of Malawi
USAID	United States Agency for International Development
USDH	United States Direct Hire (employee)
WB	World Bank
WSU	Washington State University

PART 1:
OVERVIEW AND FACTORS
AFFECTING
PROGRAM PERFORMANCE

PART I: OVERVIEW AND FACTORS AFFECTING PROGRAM PERFORMANCE

USAID and the Mission Performance Plan - USAID's program strongly supports the U.S. Mission Performance Plan (MPP) in Malawi. The fifth strategic objective (SO), to help strengthen democratic institutions, is the cornerstone of the MPP's first goal: "promote consolidation of democratic institutions and practices" (which directly supports the fifth national interest in the U.S. Strategic Plan for International Affairs). Major elements of the first and second strategic objectives, which promote democratic association of farmers to manage their resources and market their products, and the fourth objective, which promotes literacy, also support the MPP's democracy goal.

In addition, the USAID/Malawi program is integral to the MPP's second goal: "promote sustainable economic growth" (which is the sixth national strategy under U.S. Strategic Plan for International Affairs). In fact, under this goal the MPP's indicators are virtually synonymous with the USAID program: (1) "Improve government of Malawi (GOM) articulation and promotion of policy initiatives" (all USAID strategic objectives); (2) "Support GOM efforts to privatize statutory bodies" (a major thrust under SO1); (3) "Continue close donor coordination" (all USAID SOs); (4) "Empower the poor by expanding rural income earning opportunities through agricultural policy reform" (SO1); (5) "Promote sustainable use, conservation, and management of renewable natural resources" (SO2); (6) "Implement family planning programs, reduce the rate of HIV transmission, and increase child survival, and boost implementation role for NGOs in the social sector" (SO3); and (7) "Increase access to and improve the quality and efficiency of primary education, especially for girls" (SO4).

That the USAID program is so strongly integrated with the MPP is no surprise. USAID and the rest of the U.S. Mission have a long history of working closely together as one team, and USAID contributed heavily to the development of the MPP.

The Development Context - Overall, Malawi remains one of USAID's best development partners. The context for the program remains positive, but in important ways it has been changing. Many factors contribute to this environment: the breadth and openness of dialogue with Malawians in government and civil society; the macro-economy; political developments; the social and institutional context; donor cooperation; and circumstances pertaining to each of the program's five sectors.

The first of these factors -- open dialogue -- is unparalleled in most of the developing world. Over the past year, the mission's access to decision makers at all levels of the government has remained extraordinary, and the strength of partnerships in all five of the strategic areas, within civil society as well as government, has improved. The trust that has developed over many years is a major asset in weathering the ups and downs that may occur in other areas of the development context.

While the past year has witnessed solid growth of an estimated 4.6 percent in the gross domestic product (GDP), the government's fiscal management has deteriorated. In an attempt

to restore financial discipline, the GOM has imposed tight budget constraints across all ministries, including those that implement USAID programs. Most vulnerable have been the mission's non-project assistance (NPA) programs in the agriculture, natural resource management and education sectors, which have provided untied support to the GOM budget. As the GOM has cut back funding for these sectors, allocations for certain activities vital to mission programs have been delayed and inadequate, resulting in somewhat weaker performance. As the May 1999 elections approach, it may become more difficult for the government to reestablish fiscal discipline.

In the political arena, unlike the previous year, the parliament has not suffered from a boycott, and it and the judiciary have remained solid partners for USAID. On the other hand, the cabinet has delayed key legislation for improving the environment for democratic consolidation, which is important for certain of the USAID-supported programs. In particular, the delay in passing legislation concerning elections has weakened the performance of the SO5 program with the Electoral Commission, and the delay in passing an enabling law for non-governmental organizations (NGOs) has been disappointing for the mission's work in that sector.

The success of all mission programs depends on the institutional capacity of partners to implement the planned activities. The mission tried to carefully gauge partners' strengths and weaknesses when designing programs, but developments last year suggest we may have been too optimistic. One key factor for institutional capacity of government partners is their budget, which, as mentioned above, has been less than hoped for and a major handicap. But the most important factor is human capacity. USAID and other donors have been making major investments in human capacity, usually with good effect and at times with remarkable payoff. Unfortunately, erosion of civil service wages has led some counterparts to find other opportunities. More alarming are the mounting losses of key personnel due to the HIV/AIDS tragedy. Many counterparts and friends are being lost in their prime years, and much time is spent on family obligations. This is hurting productivity across the economy, including within partner institutions in the government and non-governmental organization (NGO) sectors. While it is not yet possible to specify how much this is reducing achievement of USAID's our objectives, it is perceptible and will likely get worse.

In meeting these challenges, continuing partnerships with Malawians is the mission's biggest asset. Also important are partnerships with other donors. With a notable exception or two, cooperation between donors has been growing stronger in all the sectors in which the mission works. At the same time, more donors have entered the scene, adding new resources and new perspectives. This bodes well for future program implementation, particularly as the donors work together towards developing sector investment approaches with the government.

Performance of the Portfolio - In such a diverse portfolio, it is not surprising that performance has been mixed, with some strategic objectives achieving better results than others. As evident in later sections of this Results Review and Resource Request (R4), SO1 continues to excel, and SO2 and SO3 have also done quite well. However, performance

under SO4 and SO5 has, on the whole, been disappointing. While each has had some intermediate results (IRs) which performed well, other IRs did not. Malawi's changing development context partially contributed to the shortfall; other reasons were more sector-specific. While later sections focus on the sector-specific factors and how the SO teams have been addressing them, below is a discussion of the mission's response to the more general contextual factors.

Mission Response - The first and most important step taken by the mission to adapt to the changing development context was to examine these changes jointly with Malawian counterparts in a series of retreats. Last November the mission held a large retreat with partners in the government and civil society to better understand the current Malawian situation and review the USAID/Malawi Country Strategic Plan (CSP) in light of this new situation. In addition, each SO team has had at least one retreat in recent months with its partners. These retreats have confirmed the need for redoubling efforts to strengthen the human and institutional capacity in government, while also strengthening non-governmental partnerships as valuable alternatives. They also highlighted the urgency of better supporting Malawi's effort to combat HIV/AIDS, building on the many partnerships in that area.

The retreats also underscored the importance of understanding developments in the macroeconomy, particularly the impact of fiscal issues on USAID-supported programs. Over the last six months, the mission has discussed this issue with senior officials in the concerned line ministries, the Ministry of Finance and the Reserve Bank, as well as with USAID program managers and technical advisors. Top officials in the Reserve Bank suggested that a return to the special accounts mechanism would be the best way of assuring GOM funding for program activities which support the USAID program objectives, and provide continued support for the government budget. Mission management now believes that a reintroduction of the special accounts mechanism is necessary, and will continue discussions with the GOM in the coming months to arrive at a mechanism that is mutually satisfactory to resolve this issue.

Overall, the series of retreats confirmed the validity of the mission's strategy -- an important exercise since many of our United States direct hire (USDH) staff changed in the past year -- while leading to several minor changes below the SO level.

Following the November strategy retreat with partners, the mission held an internal operational retreat to determine how USAID/Malawi should reengineer itself to most effectively implement its CSP. While a considerable reengineering effort had already been made, the retreat was effective in reinvigorating the effort. Since then, the mission has been instituting several structural and operational changes which will better position it to collaborate with partners in designing and implementing programs, as well as to better understand the development context for them.

PART II:

PROGRESS TOWARD OBJECTIVES

SUMMARY TABLE

Objective Name	Rating	Evaluation Findings
SO1: Increased agricultural incomes on a per capita basis	Exceeded	A mid-term review of the Smallholder Agribusiness Development Project found that the SADP approach of mobilizing and empowering farmers into business groups could most likely be successfully extended to most Malawian farmers. The review stated that involving farmers in cash crop type activities is the best means of moving rural Malawians out of the trap of poverty and felt that the farmer cooperative movement was the greatest example of real democracy in Malawi at the time.
SO2: Increased sustainable use, conservation and management of natural resources	Met	None in FY97; sector assessment scheduled for March 1998.

<p>SO3: Increased adoption of measures that reduce fertility and risk of HIV transmission, including improved child health practices</p>	<p>Met</p>	<p>STAFH participatory review of USAID-funded reproductive health activities identified policy and implementation issues, problems, and solutions to improve delivery of RH services.</p> <p>Management audit of MOHP made recommendations for reorganizing management at central level.</p> <p>Utilization, efficacy and impact studies of Sulphadoxine-pyrimethamine (SP) as first-line treatment for malaria showed encouraging results, with lower maternal anemia rates, improved infant birth weight and only minor reduction in efficacy.</p> <p>Evaluation of AIDS teaching in the classroom found that the subject is being taught at all levels, but teachers need additional training and materials to fully implement the curriculum.</p> <p>Two studies testing use of insecticide-treated bednets and curtains as a malaria preventive identified implementation issues and provided data for making decisions to move forward on a national program.</p> <p>MOHP personnel who were trained in STD syndromic management and in the use of the CDLMIS were evaluated to assess performance. Results were used to modify curricula, improve training materials and strengthen supervision activities.</p>
<p>SO4: Increased access to and quality and efficiency of basic education, especially for girls</p>	<p>Fell short</p>	<p>GABLE evaluation showed that the program impact on girls' education and attitudes about educating girls had been positive. There's now a need to focus on quality of education.</p>

SO5: Institutional base for democratic participation strengthened and broadened	Fell short	NDI held focus group discussions on Malawians' knowledge levels and attitudes toward democracy. The focus was on knowledge of human rights, democratic principles and democratic processes and attitudes toward civil society organizations and parliament.
Percent funding through NGOs and PVOs: FY98: 22.55%; FY99: 15.18%; FY00: 5.21%		

STRATEGIC OBJECTIVE 1: INCREASED AGRICULTURAL INCOMES ON A PER CAPITA BASIS

SECTION I: PERFORMANCE ANALYSIS

Relationship to Mission Performance Plan - SO1 has made a significant and positive contribution to the Mission Performance Plan through its direct promotion of broad-based economic growth in Malawi.

SO1 Results Framework - SO1 has three top level intermediate results (IRs) which, when achieved, are expected to result in increased agricultural incomes on a per capita basis. These are, IR1.1: farmer adoption of improved crop production/storage technologies increased; IR1.2: competitive market environment established; and IR1.3: private sector agribusiness and transport activities expanded. Underlying the relationship between the IRs and the SO is the assumption that the liberalized agricultural production and marketing system will not exacerbate the rich/poor gap -- i.e., that the positive program impacts will be widely shared by the Malawian farm population. As discussed below, this assumption has been revalidated by trends in income levels.

The Malawian economy continues to be characterized by a smallholder agricultural sector emphasizing maize as the basic food crop and tobacco as the predominant cash crop. The smallholder sector is for the most part subsistence, with average land holdings of less than one hectare per family. This situation provides both constraints to developing a vibrant sector which can serve as the engine of growth for the overall economy and, conversely, opportunities to promote a segment of the population which has been marginalized in the past, remains desperately poor, but represents Malawi's best hope for development in the short to medium term.

Performance Rating and Overview - Program results demonstrate that SO1 performance during the rating period exceeded expectations. The expected progress detailed in the FY96 R4 has been realized. There continues to be positive impact on overall production, prices and food security. All SO1 targets were met, with many exceeding planned levels. The impact of the program at the SO level has, to date, been largely measured by the improved position of smallholder burley tobacco farmers, a relatively small (not more than 25%) and potentially more prosperous segment of the agricultural population. To provide a broader and more accurate reflection of SO-level program impact, baseline data are now being established which measure per capita income across the sector, including both farm and non-farm income. An on-going survey program will allow SO1 to monitor changes in this data beginning with the 1998 reporting period.

In 1997, the per capita income of smallholder tobacco producers was \$266. Although this figure is lower than that of the previous year, it still represents dramatic progress overall and surpasses the target by \$24. It is anticipated that the planned level of per capita income for FY2000 will be exceeded. The decline in per capita income between 1996 and 1997, due in

part to lower international prices, can also be viewed positively. The major factor in the per capita decrease was the increasing number of smallholder farmers taking advantage of the policy reform measures and expanded market opportunities introduced under USAID initiatives. In other words, while the “pie” continued to grow, (from \$32.6 million to \$36.1 million), the number of farmers sharing it grew even more rapidly (from 103,699 to 160,000). The increasing is being more widely distributed. While this may mean that individual gains are not as large in any given year, its implication for overall economic growth is extremely positive.

More significant, although not captured in the data, is the increasing sustainability of the smallholder farmers’ ability to continue to prosper. This is perhaps best exemplified in the expansion of the farmers’ cooperative movement. Initially, USAID provided technical assistance only to selected burley clubs of 20 to 30 farmers. Due to the increasing interest of neighboring farmers, assistance was expanded to all interested clubs, thus reaching over 24,000 farmers in more than 1,000 clubs. Recognizing that clubs as single entities were too small to affect the business environment and could not be the engines that drove rural economic development, the painstaking process of forming associations of clubs was undertaken. Each association has about 2,000 individual members, leading to economies of scale in the procurement of inputs and services and the marketing of products. Twelve associations were established during the reporting period. After much discussion, this farmer-driven group of associations has created the National Association of Smallholder Farmers of Malawi (NASFAM), which is truly empowering its members economically and politically. NASFAM association members received \$.09 (approximately 5%) more per kilogram of tobacco sold on the auction floor than did other growers. Through a national transportation contract, association farmers paid an average of \$2.00 less per 100 kilogram bale for transportation from farm to auction floor than did non-association burley growing clubs. Since NASFAM member associations have a repayment rate of 97% with the Malawi Rural Finance Corporation, average interest rate payments for NASFAM farmers is 5% lower than for other farmers. NASFAM also has agreements with one of the largest national seed companies, allowing the association to act as wholesalers of maize seed. In addition, NASFAM has representatives on all the auction floors as advocates for the small farmers. The cooperative movement is now reaching out to growers of other cash crops, such as coffee and paprika, so that others may prosper from increased cooperation.

IR1.1 Farmer adoption of improved crop production/storage technologies increased -

Very positive results have been seen in IR1.1, with its focus on crop diversification and food security. Diversification is important as current crop production/storage technologies are excessively oriented toward maize and yields are low.

SO1 support to the International Center for Tropical Agriculture (ICTA) for research and technology transfer of cassava and sweet potato is now paying increasing dividends. The ratio of these root crops to the staple maize food crop recorded a significant increase in 1997. The percentage of total area planted to crops other than maize reached 39%, well ahead of what was planned for the program and exceeding slightly the level forecast for 1999. First

round crop estimates for the 1997/1998 planting season suggest an increase of at least 10% of land planted to cassava and increased harvests of 14% and 34%, respectively, are predicted for cassava and sweet potato. Due to improved technology, yields for all major root crops are increasing as well. They are almost double what they were in 1992/3, with a 38% increase in cassava and a 74% increase in sweet potato from the 1995/96 to 1996/97 season. There is every indication that crops other than maize will take on even greater importance, both for food and income- generating purposes, in future years. This augers well for improved food security and greatly reduces the current over-reliance on maize.

Efforts in crop diversification are being complemented through SO1 support to the Famine and Early Warning System (FEWS). In normal years, FEWS provides invaluable information related to weather phenomenon, crop conditions, production estimates and vulnerability assessments. This was critically important in 1997 as El Niño posed a potential threat to Malawi and the region. The information generated by FEWS contributed significantly to advance planning efforts by the Government of Malawi and was a major factor in the accelerated multiplication and dissemination of drought-tolerant crops such as cassava to Malawian farmers. Through such actions, food security was enhanced and the potential for malnutrition diminished.

A farmer's ability to adopt improved practices is enhanced through access to rural financial services for both savings and credit. The ability to save for the future and to avoid high-cost credit for inputs has been enhanced by the Malawi Union of Savings and Credit Cooperatives (MUSCCO), which has had continued support from USAID. Total membership in the savings and credit cooperatives increased by almost 15%, from 43,685 to 49,990, during the reporting period. The value of savings increased by 56%, thus enabling an increase in new loans of 133%. Credit at reasonable rates is highly prized by the small producer and saving and credit cooperatives are able to grant loans at rates more favorable than the large, government-supported credit institutions.

IR1.2 Competitive market environment established - Activities under this IR improve the legal and regulatory environment for agriculture, developing policy which promotes increased agricultural production in response to a liberalized market. Supported by USAID and other donors, notably the World Bank, these reform programs continue to show a positive impact across the agricultural sector.

USAID support for the Agriculture Policy and Research Unit (APRU) of Bunda College of Agriculture has provided some of the research needed to support the policy reform agenda. APRU has gathered and disseminated information on informal cross border trade with Malawi's three neighbors, suggesting to policy makers areas of comparative advantage for Malawi to expand trade. APRU research, in collaboration with the Ministry of Agriculture and Irrigation, has demonstrated Malawi's comparative advantage to diversify into numerous additional cash crops such as cotton, paprika, and macadamia nuts. APRU research also demonstrated the feasibility and desirability of transferring a number of small-scale irrigation schemes from government to farmer organization management.

During the reporting period, there was measurable progress in privatizing a number of government-owned or controlled assets in the agricultural sector. Eleven ranches have been committed for sale and a number of sales completed; privatization of the Malawi Dairy Industry is well underway; the country's two large sugar estates have been privatized; the egg marketing board has been disbanded; the Kabwafu tobacco scheme is being converted into a private farmers' owned trust; the assets of the Kasungu Flue Cured Tobacco Authority are being sold to private farmers; and the Smallholder Coffee Authority is being disbanded and the assets transferred to grower cooperatives.

Quotas controlling tobacco production have been eliminated, thus allowing the smallholder to compete on the basis of efficiency. Perhaps most significantly, because of its political sensitivity, maize sold from the strategic grain reserve is now sold through open tender, contributing to price stabilization through competitive pricing, rather than price controls.

The greatly improved market environment has allowed smallholders to produce and sell an expanding share of Malawi's burley tobacco crop. During the reporting period, the share of burley tobacco produced by smallholders reached 49%, exceeding the target for the year 2000. Meanwhile, the share of tobacco sold directly on the auction floor by smallholders stayed on target at 12%, while the volume of tobacco sold exceeded projections by 4 million kilograms (16 million kg. vs. the anticipated 12 million kg.).

One gratifying aspect of the market liberalization process is the response by Malawian women to the new opportunities being opened to them. The percentage of female registered smallholder burley tobacco growers increased from 12% at the beginning of the program to nearly 40% this year. Female participation in farmer owned agribusinesses is also significant.

It is important to recognize that for both male and female alike, this smallholder approach to organizing through clubs and associations for production, marketing, and credit is one of the most democratic processes now occurring in Malawi. Principles of democratic elections, individual rights, group processes and accountability, for so long missing in Malawian society, are clearly evident in these associations.

Perhaps even more significant for sustainability than the actual policy reforms is the change in attitude of civil servants. Early reforms were imposed from above or from outside, often over the strong reservations or even resistance of the civil servants. Thus, rather than playing a role in the development and implementation of the reform policies, civil servants were often circumvented in changing policy. This has clearly changed over the past year. Working meetings on policy issues now tend to be truly collaborative. Advocacy of liberalizing reforms is coming from the civil service, rather than being imposed by the political leadership. For example, civil servants are now presenting strong cases for widening the maize intervention price band or eliminating it completely, a policy also pursued by USAID. Government officers are now recognizing the importance of non-maize crops, the role of private traders and market allocations of food supplies in enhancing food security. Whereas government officers previously resisted liberalization that made trade free and open to all,

they now defend the legitimacy and the rights of intermediate buyers in the trade of cash crops.

Challenges remain in the area of policy reform. The GOM's policy of maize price stabilization needs urgent attention. The maize price intervention band needs to be either broadened and adhered to, or eliminated. Privatization has moved too slowly. Most pressing is further commercialization of the largest agricultural parastatal, ADMARC, and the privatization of the small crop authorities, for which there are now government-approved recommendations that need to be implemented. Although input subsidies were eliminated a few years ago, they are creeping back based on a misconception that they are a quick fix to Malawi's agricultural problems. These are some of the issues holding up disbursement of the next tranche of non-project assistance (NPA).

IR1.3 Private sector agribusiness and transport activities expanded - There is clear evidence that the liberalized market system is working outside of the tobacco production/marketing system as well as within it. The input supply market is expanding rapidly, with numerous private suppliers of fertilizer and improved seeds now competing for the smallholders' business. In 1997, the share of high yield maize seed sold through private channels exceeded 77% and the share of fertilizer sold through private channels reached 70% -- the target for the year 2000. There are now so many private dealers for both inputs that gathering data on sales is extremely difficult. The SO team believes that the market for these two crucial inputs is successfully liberalized and will no longer track this indicator.

Private transport firms are also actively competing for rural business. During the reporting period, for the first time, delivery of tobacco to the auction floors shifted from individual small truck deliveries to 30 ton lorry loads assembled by the clubs and associations. This not only introduced considerable transportation savings, but also reduced marketing costs by reducing congestion near the auction facilities. The situation with rail transportation in the country is mixed. On the positive side, real progress is being made in privatizing the Malawi railway system and, in concert with Mozambique, creating a unified regional rail/port system. The Privatization Commission has pre-qualified seven firms to take part in the final bidding process for the railways concession, now expected before the end of 1998. Until that happens, however, rail transportation remains relatively uncompetitive while spare parts shortages and slumping staff morale have resulted in delays and lost traffic. While targets this year were not met, given the considerable and steady progress on privatization, this situation is expected to improve before the end of the CSP.

SECTION II: EXPECTED PROGRESS THROUGH FY2000 AND MANAGEMENT ACTIONS

The mission is optimistic that SO1 will not only succeed, but will move well beyond original expectations. All IRs will be realized by FY 2000, many by a wide margin. But, while much has been accomplished under SO1, there is more to be done. Significant numbers of farm families remain too marginalized to participate in the production of cash crops. Because of

their small land holdings and limited ability to procure inputs, they have not participated in the revolution taking place. Consequently, the emphasis of SO1 may expand to include food crops as well as cash crops, but the forward motion will be supported and maintained.

The SO1 team is currently in the process of reviewing its entire portfolio to examine opportunities to broaden and deepen the current program, which will continue to the year 2000, the end of the CSP. This SO1 revision exercise began late in 1997, with a retreat with partners to take stock of where we've been, what we've accomplished and how we might fine-tune our efforts. As a continuation of this dialogue, a position paper is currently being prepared which will identify not only new opportunities for expanding our efforts to promote food security, but also develop reporting mechanisms that more accurately capture significant actions already underway. Greater effort will be made to integrate mission health and nutrition initiatives as part of the overall food security program. Opportunities also exist for greater collaboration with the mission's democracy team, with potential integration of the successful grassroots smallholder association movement, which is the centerpiece of the agriculture and food security program. The opportunity for much greater integration of activities between the agriculture and natural resources programs will also be reviewed. Improved soil conservation and crop rotation, particularly on lands which are currently intensively monocropped with a cash crop such as tobacco, is imperative. Additionally, SO1 will review activities in the areas of agricultural policy and planning and rural finance. The mission intends to use the additional resources which will be provided under the African Food Security Initiative (AFSI) to expand the activities described above and to intensify efforts in promoting food security through research and technology transfer related to food crops and through the development of strong farmer-based associations.

Over the next year, SO1 will continue implementation of the new national survey to track changes in income across the rural economy--measuring both farm and non-farm results. This is being done in part to capture benefits from all SO1 program efforts, some of which are not currently being measured, and in part to prepare for new opportunities such as value added agricultural processing and other rural microenterprise activities. Indicators will be adjusted to more adequately reflect what is being done and the impact of SO1-supported activities..

SECTION III: PERFORMANCE DATA TABLES

STRATEGIC OBJECTIVE 1: INCREASED AGRICULTURAL INCOMES ON PER CAPITA BASIS APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
STRATEGIC OBJECTIVE: Increased agricultural incomes on a per capita basis			
INDICATOR: Real per capita incomes for smallholder tobacco producers			
UNIT OF MEASURE: \$U.S. SOURCES: Ministry of Agriculture and Irrigation (MAI), Auction Holdings Limited(AFL), Agricultural Cooperative Development International (ACDI), and survey of intermediate buyers by B. Phiri in 1996 INDICATOR DESCRIPTION: Measures income earned by smallholder producers both from the sale of their tobacco directly on the international auction floor and to intermediate buyers, which now include the Agricultural Development and Marketing Corporation (ADMARC) COMMENTS: The difficulty here is estimating prices paid by the myriad intermediate buyers.	YEAR	PLANNED	ACTUAL
	1991(B)		\$153
	1992		\$263
	1993		\$244
	1994		\$171
	1995		\$191
	1996	\$230	\$315
	1997	\$242	\$266
	1998	\$254	
	1999	\$266	
	2000(T)	\$278	

STRATEGIC OBJECTIVE:		INCREASED AGRICULTURAL INCOMES ON PER CAPITA BASIS	
APPROVED: 15/03/95		COUNTRY/ORGANIZATION: USAID/Malawi	
INTERMEDIATE RESULT 1.1: Farmer adoption of improved crop production/storage technologies increased			
INDICATOR: Share of smallholder area planted to non-maize crops			
UNIT OF MEASURE: Percentage SOURCES: MAI INDICATOR DESCRIPTION: Percentage of total area planted to crops other than maize COMMENTS:	YEAR	PLANNED	ACTUAL
	1985(B)		27.1%
	1990		19.0%
	1991		22.4%
	1992		20.0%
	1993		24.2%
	1994		27.4%
	1995		32.0%
	1996	35.0%	35.0%
	1997	36.0%	39.0%
	1998	38.0%	
	1999	38.0%	
	2000(T)	40.0%	

STRATEGIC OBJECTIVE 1:		INCREASED AGRICULTURAL INCOMES ON PER CAPITA BASIS	
APPROVED: 15/03/95		COUNTRY/ORGANIZATION: USAID/Malawi	
INTERMEDIATE RESULT 1.1: Farmer adoption of improved crop production/storage technologies increased			
INDICATOR: Ratio of smallholder root crop area to smallholder maize area			
UNIT OF MEASURE: Ratio SOURCES: MAI INDICATOR DESCRIPTION: Ratio of total root crops (cassava and sweet potatoes) area to smallholder maize area. COMMENTS: This measures crop diversification away from the previously predominantly maize diet.	YEAR	PLANNED	ACTUAL
	1990(B)		6.8%
	1991		8.6%
	1992		6.1%
	1993		8.4%
	1994		9.7%
	1995		12.7%
	1996	14.0%	14.9%
	1997	15.5%	17.5%
	1998	17.0%	
	1999	18.5%	
	2000(T)	20.0%	

STRATEGIC OBJECTIVE 1: INCREASED AGRICULTURAL INCOMES ON PER CAPITA BASIS APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULT 1.2: Competitive market environment established			
INDICATOR: Share of burley tobacco produced by smallholders			
UNIT OF MEASURE: Percentage SOURCES: MAI, AFL, and ACDI INDICATOR DESCRIPTION: Percentage of total smallholder burley tobacco produced of total burley tobacco sold on the auction floors. COMMENTS: Smallholders' share of total burley tobacco sold in Malawi is increasing.	YEAR	PLANNED	ACTUAL
	1992(B)		2.8%
	1993		17.0%
	1994		8.2%
	1995		20.4%
	1996	25.0%	42.2%
	1997	30.0%	49.1%
	1998	35.0%	
	1999	40.0%	
	2000(T)	40.0%	

STRATEGIC OBJECTIVE 1: INCREASED AGRICULTURAL INCOMES ON PER CAPITA BASIS APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULT 1.2: Competitive market environment established			
INDICATOR: Share of burley tobacco marketed directly by smallholders (auction)			
UNIT OF MEASURE: Percentage SOURCES: AFL and ACDI INDICATOR DESCRIPTION: Percentage of smallholder burley tobacco [of total burley tobacco] sold directly by smallholders on the auction floors. COMMENTS: More and more smallholder tobacco is being sold directly.	YEAR	PLANNED	ACTUAL
	1992(B)		1.0%
	1993		5.2%
	1994		5.3%
	1995		4.6%
	1996	10.0%	10.9%
	1997	12.0%	12.0%
	1998	15.0%	
	1999	18.0%	
	2000(T)	20.0%	

STRATEGIC OBJECTIVE 1: INCREASED AGRICULTURAL INCOMES ON PER CAPITA BASIS APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULT 1.2: Competitive market environment established			
INDICATOR: Volume of burley tobacco marketed directly by smallholders (auction)			
UNIT OF MEASURE: Million kilograms SOURCES: AFL and ACDI INDICATOR DESCRIPTION: Quantity of burley tobacco sold COMMENTS: This data comes directly from the auction . For various reasons, some clubs may be missed.	YEAR	PLANNED	ACTUAL
	1992(B)	0.01	1.0
	1993		5.4
	1994		3.8
	1995	0.05	4.7
	1996	10.0	12.8
	1997	12.0	16.0
	1998	15.0	
	1999	18.0	
	2000(T)	20.0	

STRATEGIC OBJECTIVE 1: INCREASED AGRICULTURAL INCOMES ON PER CAPITA BASIS APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULT 1.2: Competitive market environment established			
INDICATOR: Percentage of registered smallholder burley tobacco growers who are female			
UNIT OF MEASURE: Percentage SOURCES: MAI, Tobacco Control Commission (TCC), AFL, and ACDI INDICATOR DESCRIPTION: Percentage of registered tobacco growers who are female. COMMENTS:	YEAR	PLANNED	ACTUAL
	1993(B)		12.7%
	1994		15.0%
	1995		29.0%
	1996	32.0%	37.0%
	1997	34.0%	37.0%
	1998	36.0%	
	1999	38.0%	
	2000(T)	40.0%	

STRATEGIC OBJECTIVE 1: INCREASED AGRICULTURAL INCOMES ON PER CAPITA BASIS APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULT 1.2: Competitive market environment established INTERMEDIATE RESULT 1.3: Private sector agribusiness and transport activities expanded			
INDICATOR: Share of high yielding variety (HYV) maize seed sold through private channels			
UNIT OF MEASURE: Percentage SOURCES: National Seed Company of Malawi (NSCM) and Pannar Seeds (Formerly of Lever Brothers), and ADMARC INDICATOR DESCRIPTION: Percentage of high yielding maize seed (hybrid and composite) sold by non-government bodies COMMENTS: This indicator measures progress against both IR1.2 and IR1.3. N/A = Targets not set because information was difficult to collect at that time.	YEAR	PLANNED	ACTUAL
	1985(B)		11.8%
	1990		17.5%
	1991		10.8%
	1992		10.1%
	1993		25.6%
	1994		42.0%
	1995	N/A	45.0%
	1996	50.0%	73.5%
	1997	55.0%	77.3%
	1998	65.0%	
	1999	68.0%	
	2000(T)	70.0%	

STRATEGIC OBJECTIVE 1: INCREASED AGRICULTURAL INCOMES ON PER CAPITA BASIS APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULT 1.2: Competitive market environment established INTERMEDIATE RESULT 1.3: Private sector agribusiness and transport activities expanded			
INDICATOR: Share of fertilizer sold through private channels			
UNIT OF MEASURE: Percentage SOURCES: ADMARC, Smallholder Farmers Fertilizer Revolving Fund (SFFRFM), Norsk Hydro, OPTICHEM, Farmwise, Farmers' World, INTERFERT, etc. For 1997, A. Chakravarti's study INDICATOR DESCRIPTION: Percentage of fertilizer sold by non-government bodies COMMENTS: This indicator measures progress against both IR1.2 and IR1.3. Data to measure progress against this indicator is no longer easy to collect as there are now many fertilizer traders in Malawi and the availability of fertilizer is no longer a problem. It may be necessary to drop this indicator altogether next year. Reporting on it was only possible this year because a consultant carried out a study on the effect of free inputs on trade.	YEAR	PLANNED	ACTUAL
	1985(B)		42.1%
	1990		33.0%
	1991		6.0%
	1992	38.0%	27.7%
	1993		28.1%
	1994		40.0%
	1995	47.0%	47.0%
	1996	50.0%	57.0%
	1997	55.0%	69.7%
	1998	65.0%	
	1999	68.0%	
	2000(T)	70.0%	

STRATEGIC OBJECTIVE 1:		INCREASED AGRICULTURAL INCOMES ON PER CAPITA BASIS		
APPROVED: 15/03/95		COUNTRY/ORGANIZATION: USAID/Malawi		
INTERMEDIATE RESULT 1.3: Private sector agribusiness and transport activities expanded				
INDICATOR: Farmer-owned agribusinesses and cooperatives (clubs)				
UNIT OF MEASURE: a) Number-total b) Number-all female SOURCE: ACDI, and TCC INDICATOR DESCRIPTION: The number of farmer-owned agribusinesses and cooperatives operational in Malawi. Initially these were only credit clubs; they have now become agribusinesses. COMMENTS: Most clubs will eventually collectively form associations/agribusinesses. Data for all female clubs was not collected until 1995.	YEAR	PLANNED	ACTUAL	
	1993(B)		a) 1,095 b) n/a	
	1994		a) 1,228 b) n/a	
	1995		a) 2,476 b) 169	
	1996	a) 4,500 b) 400	a) 5,044 b) 436	
	1997	a) 4,800 b) 450	a) 9,346 b) 455	
	1998	a) 5,000 b) 500		
	1999	a) 5,250 b) 525		
	2000(T)	a) 5,500 b) 550		

STRATEGIC OBJECTIVE 1: INCREASED AGRICULTURAL INCOMES ON PER CAPITA BASIS APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULT 1.3: Private sector agribusiness and transport activities expanded			
INDICATOR: Volume of goods transported by rail			
UNIT OF MEASURE: a) Thousands of tons, exports b) Thousands of tons, imports SOURCE: Malawi Railways Limited INDICATOR DESCRIPTION: The total amount of exported/imported goods transported by Malawi Railways Limited. COMMENTS: The data are given per Government of Malawi (GOM) fiscal year. But, beginning with 1996, are aggregated by calendar year because the data are received approximately three months after the end of each quarter. The figures for previous years are therefore different from the ones calculated by calendar year. The old series has been kept as it was.	YEAR	PLANNED	ACTUAL
	1990(B)		a) 11.3 b) 25.1
	1991		a) 14.0 b) 23.0
	1992		a) 13.8 b) 60.8
	1993		a) 13.6 b) 76.6
	1994		a) 29.6 b) 75.7
	1995		a) 50.4 b) 112.2
	1996	a) 52.0 b) 188.0	a) 37.6 b) 104.3
	1997	a) 58.0 b) 210.0	a) 27.7 b) 107.6
	1998	a) 61.0 b) 217.0	
	1999	a) 64.0 b) 224.0	
	2000(T)	a) 68.0 b) 232.0	

STRATEGIC OBJECTIVE 2: INCREASED SUSTAINABLE USE, CONSERVATION AND MANAGEMENT OF NATURAL RESOURCES

SECTION 1: PERFORMANCE ANALYSIS

Relationship to Mission Performance Plan - SO2 supports the MPP's second goal to "promote sustainable economic growth," and serves as that goal's fifth objective, to "promote increased sustainable use, conservation and management of renewable natural resources."

SO2 Results Framework - SO2 stimulates the adoption of practices that promote sustainable natural resource use. The SO2 top level intermediate results (IRs) focus on Malawi's primary resource user groups and/or resource managers (businesses, communities and protected area management units), and specifically on strengthening the capacity of these groups to adopt sustainable use practices. To build this capacity, the lower level results reflect key foundation-building "ingredients" which encourage behavior change.

The SO2 results framework (RF) was developed jointly with USAID partners to reach consensus on the cause and effect logic of working in this sector as well as on necessary key results. Thus, the RF is broad and includes results for which USAID has little direct involvement, but which are critical to the SO. The SO2 program emphasizes changing the behavior of the largest group of resource users -- communities -- and on the policy environment within which they function. This R4 reports only on the those IRs in which USAID is playing a significant role: IR2.1: policy and legislative reform, IR2.2: capacity of national natural resource management (NRM) institutions strengthened; IR2.3: service programs improved; and IR2.4: capacity of communities to manage resources improved.

Based on USAID/Washington's feedback on the R4 last year, the SO2 team has reviewed the indicators for both the SO and the IRs. Several of the "process" type indicators have been eliminated from this report; some indicators have been simplified to better focus on results; and baselines and targets for yet other indicators have been established.

Performance Rating and Overview - Performance during the reporting period met expectations, although progress among program elements was uneven. At the SO-level, progress after two years of implementation was necessarily limited. However, the policy and institutional foundation required for the achievement of the SO is now at least roughly sculptured. Indeed, the new policies and legislation put in place, including two major pieces of legislation during the reporting period, have been impressive and exceeded expectations. In terms of adoption of improved soil management practices, the transition from a research-oriented pilot effort to one that aggressively promotes adoption of proven practices on a national level was made successfully. The number of farm families adopting improved soil fertility practices doubled and there were significant increases in adoption of improved soil conservation and tree planting practices, although these fell short of their ambitious targets. Among the areas of continuing concern are the need to better understand how decisions

regarding resource use are made and the socio-economic characteristics of those farmers who contribute most to soil erosion. SO2 must also address challenges to capacity building and sustainability resulting from the attrition of large numbers of professional officers for either health reasons or higher-paying alternative employment opportunities. This constraint is being addressed under each IR through an aggressive strategy of building partnerships reaching beyond government to communities, NGOs, the private sector and donors.

Linkages with Other SOs - SO2 efforts are tied to those in the agricultural sector (SO1) which places its emphasis on increasing rural incomes. SO2 results will ensure that incomes are increased sustainably -- without inappropriately “mining” the resource base. Moreover, progress under SO1 is considered key to the success of SO2, as additional income provides a “cushion” for farm families, enabling them to invest in more appropriate agricultural/NRM practices. SO1’s successful efforts in strengthening farmer associations will be reinforced through the upcoming SO2 community-based natural resource management (CBNRM) activity; and 1998 will also see an expanded relationship between these SO1 associations and the SO2 agroforestry program. Each of these activities, together with the policy reform effort which shifts management responsibilities to communities, reinforce the Mission's democracy objective (SO5). A link to SO5’s support for judicial reform will also be explored as a means of addressing the challenge of effectively enforcing new NRM legislation. While this constraint is being partially addressed by provisions in new legislation, SO2 may benefit from targeted support to the judiciary. Regarding education, the Ministry of Education, has initiated discussions with USAID and the World Bank (WB) for support in incorporating environmental issues into the formal school curricula. While limited project funding precludes SO2 from playing a significant role in the formal environmental education area, the WB has funds set aside for this purpose.

Donor Coordination - The previous R4 noted that Malawi's environmental challenges have prompted an expansion in donor-funded programs in Malawi. This has tended to overwhelm the capacity of the GOM to manage the resulting activities. Importantly, donor coordination has improved over the current reporting period. The start up of the National Council for the Environment, established in the 1996 Environment Act, has begun to address this problem, as have the monthly meetings of the NRM Donor Coordination Group, led by USAID. Substantially more information is now shared than in past years, and discussions among donors and government are frequent, open and frank. The past tendency to “compartmentalize” donor programs has passed; and this appears to be irreversible. Several examples of joint donor/GOM activities exist, covering policy, information systems, district strengthening, sustainable financing and soil conservation.

IR2.1: Policy reform - Central to NRM policy reform is a progressive transfer of resource tenure from the state to the community. Key to the process is i) a shift in the role of government from control toward the delivery of services supporting community-led management efforts, and ii) the promotion of community and private sector partnerships with government in managing natural resources. During 1997, new legislation embodying these principles was approved by Parliament and signed by the President in both the forestry and

fisheries sectors. Additionally, following a series of consultative meetings, a new Parks and Wildlife policy is near completion. It should be submitted to Cabinet in early 1998. This sectoral reform process is being guided by the new national-level environmental policy and legislation, which were passed last year. Given that previous policies were characterized by exclusive and directive practices -- leaving a legacy of hostility between government and communities -- these reforms represent significant milestones which will hasten completion of the remaining sectoral reforms in agriculture, lands and water.

Perhaps more revealing of progress under the reform program is the degree to which new policies have been implemented, in some cases even before the formal approval of policy. For example, a successful pilot fisheries community management effort on Lake Malombe has led to similar ventures elsewhere. The Fisheries Department is advising groups of fishermen in preparation for the negotiation of formal shared management agreements, as encouraged in the new legislation. Similarly, the National Parks and Wildlife Department negotiated an agreement with a private company to manage all tourist facilities in Nyika National Park and Vwaza Wildlife Reserve. Four of the nine wildlife protected areas are now serviced by the private sector. The Forestry Department has also participated in this positive trend through agreeing in principle to the private management of tourist facilities in forest reserves and through an innovative partnership with a local NGO under which the latter provides anti-poaching services. Moreover, in anticipation of policy changes, revenue sharing arrangements between protected area management units and communities, agreed to in principle last year, have been initiated in both Vwaza and Nyika.

While policy/legislative reforms, coupled with innovative field-level institutional arrangements, are paving the way for new paradigms of NRM in Malawi, progress would have been better if GOM resources to participating agencies were disbursed in a more timely manner. This problem slowed the policy development process over the review period, and could hamper both the development of remaining sectoral reforms and the implementation of reforms in future years. The Mission's efforts to improve methods for programming resources with the GOM over future reporting periods is expected to address this problem.

IR2.2: Capacity of NRM institutions strengthened - Malawian recognition of the need to ensure sustainable development has created a demand for environmental information to inform decision-making. USAID support for the establishment of a prototype environmental information system (EIS) responds to this demand and is a key "ingredient" for achieving the SO. The area selected for the prototype EIS is the middle Shire, one of the country's most critical watersheds. The EIS will lead to more efficient targeting of priority areas for field interventions and will provide timely access to the large amount of environmental information becoming available in Malawi. Beginning in 1999, the system will be the data source for the nation's annual State of the Environment Report which was mandated in the 1996 environmental legislation.

For the EIS to be effective, line agencies must be able to provide and analyze information associated with changes in land cover and land use. During the reporting period, the EIS

strategy resulted in GOM agreement on a system of national data standards for geographic information systems, preparation of land cover maps, and a land cover change assessment which pinpoints areas of severe environmental degradation. Efforts currently focus on understanding the social causes for identified degraded areas to provide the basis for designing appropriate interventions. This process has provided technical training and field experience for Malawians in several GOM agencies plus the University of Malawi, resulting in a large cadre of Malawians possessing the technical skills to address environmental problems. Despite this progress, the formal institutional arrangements for the EIS were hampered by the loss of key personnel from SO2's lead GOM partner. The problem was particularly disappointing as a significant build up of staff in the agency had been achieved in 1996. However, the fact that the above results under this IR were achieved without formal institutional structures demonstrates the commitment of these technical agencies to developing the tools necessary to strengthen environmental decision-making.

To complement the EIS capacity building agenda, SO2 is supporting the establishment of a partnership between the GOM and the University of Malawi to strengthen environmental research, an area specifically encouraged in the 1996 Environment Act. A long-term environmental science advisor began working with the partner institutions early in the reporting period, resulting in the establishment of a small grants program within the university's three colleges (research began in February 1998). Additional efforts are focusing on catchment research, with an emphasis on applying internationally-accepted soil erosion models with the hope of reducing the need for continuous data collection. The advisor has also explored options for establishing an environmental science curriculum within the university system. A needs assessment conducted over the reporting period revealed a complex picture with little institutional flexibility to introduce new courses. The strategic review will address this issue (Section II).

Linked to the EIS is a public lands use study (PLUS) to understand the agricultural potential of protected areas; the relationship between such areas and border communities; the dependence by border communities on protected areas; the types, amounts and financial values of protected area resources used by communities; etc. PLUS, essentially completed during the reporting period except for the incorporation of comments from a conference held in November 1997, has already benefited community practitioners by providing resource and social survey data. At the policy level, decision-makers confronted with political pressure to degazette public lands for the expansion of agriculture, now better understand that first priority should be on reconciling contradictions in the amount of customary and estate lands, before changing the status of protected lands. PLUS pointed out that the use of public lands for agricultural expansion would provide only a brief respite, given the limited suitability of these lands for agriculture.

IR2.3: Service programs improved - Between 1992 and 1996, USAID supported a program of agroforestry research/technology testing with farmers in pilot sites. Toward the latter part of 1996, the focus of this program shifted toward promoting national-level adoption of proven practices. The program now works through public, NGO, private sector and donor

partnerships to expand the supply of seed and other planting materials; provide technical advice and training services; and develop and disseminate extension materials. Such partnership arrangements leverage the limited resources available to this IR to reach a broader audience.

During the reporting period, 15 new partners were added to the 14 ongoing partnerships established in 1996, for a total of 29. The main partnership, with a European Union-supported program, represents a “sector” approach to improved soil management. The joint effort has established 200 on-farm demonstration sites throughout the country. The SO2 program provides technical direction, training, extension materials and germplasm, while the EU finances field implementation, training costs and community mobilization activities.

As shortages of seed and planting material are a major constraint to increased adoption of new technologies, several partnership arrangements focus on seed collection and distribution. Networks of vetiver nurseries are also being established to provide planting material for this important soil conservation practice. The doubling, during the reporting period, in the number of farm families adopting the improved soil fertility methods promoted under this SO (from 6,543 in 1996 to 12,993 in 1997, just under the 15,000 target) was largely due to increased availability of pigeon pea seed supported by the SO. (The strategic shift toward adoption, together with an increased number of partnerships were the other key factors.) A further 70% increase in farm families adopting improved soil fertility practices is anticipated in the 1997-98 crop season. Progress in increasing the amount of land area under improved practices, however, was less satisfactory. The main factors accounting for this include farmer preferences to start on a small scale, limited experience of extension staff in a key new technology, and lower than anticipated sales under a new tree planting program. Improved training and extension, together with the increased stock of seed/planting materials, will address these problems in 1998.

Given that 70% of farming practices and most household chores are performed by women, reaching women farmers is key to the successful promotion of more appropriate farming practices. Through a partnership with the Rockefeller Foundation, socio-economic factors affecting adoption are being identified, including the role of women in decision-making, the availability of women labor, etc. This information will be used to adapt training programs and extension messages so that they are more gender appropriate.

A major challenge under this IR has been the establishment of an accurate and timely monitoring and evaluation (M&E) system to record rates of adoption. The diversity of partners, each with their own indicators and monitoring methods, makes it difficult to compare achievements across programs. A community-based M&E system was pre-tested during the reporting period and found to be cumbersome. Adjustments to the system were made in early 1998, with results indicating that the modified system will produce accurate and timely results at a low cost. This revised system could be linked with the area sample frame monitoring approach, which, following a pilot effort funded under IR2.2, is being considered by the Ministry of Agriculture for use nationwide. Both the new monitoring plan

and all monitoring under the upcoming CBNRM activity (see below) will collect and analyze gender-based data with all participating partners.

IR2.4: Capacity of communities to manage natural resources increased - The main activity under this IR is a proposed 5-year, \$6.0 million procurement now scheduled to begin in June 1998. (Problems in the procurement process have substantially delayed the start up of this activity.) Activities under this IR will eliminate the current isolation in which virtually all CBNRM programs are implemented in Malawi so that lessons learned are shared, technical support and training programs are coordinated, policy issues are adequately vetted, and the systemic constraints to the adoption of CBNRM are addressed. Importantly, activities under this IR will link with EIS and agroforestry initiatives under IRs 2.2 and 2.3. Anticipated results will include: effective CBNRM technical services capacity established; functioning communication and information exchange mechanisms among domestic and regional programs established; community mobilization skills improved; and policy and regulatory reform in favor of CBNRM. This program will lead to significant improvement in the performance of ongoing and planned CBNRM field programs. Indicators to track achievement at the IR level and the resulting changes in adoption rates at the SO level will be developed in consultation with partners and communities once implementation begins.

SECTION II: EXPECTED PROGRESS THROUGH FY2000 AND MANAGEMENT ACTIONS

Strategic Assessment - In March 1998, SO2 will undertake a broad strategic review to reassess the original SO2 strategy and causal linkages to the IRs, taking into account lessons learned and changes and trends in the implementing environment. Concerns about the level and scope of the SO; integration among activities; results; balance between NPA and project resources; appropriateness of indicators and certain NPA conditions; will be specifically addressed. The review may lead to a re-orientation of the strategy and subsequent adjustments to activities. It is expected that the process of making these adjustments will be well underway, if not completed, by the end of 1998.

Progress through FY2000 - By FY2000, IR 2.1 will be achieved -- a new and comprehensive set of policies and legislation governing natural resource management, both at the sector and national level, will be in place. Implementation of this contemporary policy framework will be uneven, given that the reforms require both government and communities to operate in manners highly inconsistent with their previous roles. However, the impetus to make these adjustment is clearly underway and by FY2000 implementation of these policies will be institutionalized and widespread. Start up of the proposed CBNRM activity in June 1998 will facilitate this transition. In the case of IR2.3, which focuses on the adoption of soil conservation/agroforestry practices, although the numbers of farm families and area of land under improved management practices will have reached only a modest level in terms of national requirements, key ingredients such knowledge, awareness, technology, and management and extension systems for accelerated future adoption will be fully in place, as will an efficient monitoring system. Similarly, the prototype environmental information

system in the middle Shire (IR2.2) will be fully functioning and being used to support informed decision-making in this important catchment. It is also anticipated that the EIS will be broadened to include at least one other geographic area in response to the growing demand for environmental information. In short, by FY2000, USAID support, in conjunction with other donor and government efforts, will have laid the foundation for increased sustainable development in Malawi. The reversal of environmental degradation, however, requires a 15 to 20 year timeframe and is intimately linked to trends in the population, education and governance sectors.

SECTION III: PERFORMANCE DATA TABLES

STRATEGIC OBJECTIVE 2: INCREASED SUSTAINABLE USE, CONSERVATION, AND MANAGEMENT OF NATURAL RESOURCES APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
STRATEGIC OBJECTIVE 2: Increased sustainable use, conservation, and management of natural resources			
INDICATOR: Adoption of improved soil conservation practices			
UNIT OF MEASURE: a) no. of hectares b) no. of farm families (FF) c) % of FF that are female headed <hr/> SOURCE: Washington State University (WSU) and partner institution reports <hr/> INDICATOR DESCRIPTION: Improved soil conservation practices with contour strips of grass/shrub species NOTE: Previous data has counted physical contour ridging. Because the integration of dense vegetative barriers on the ridges is vital for the reduction of erosion and soil runoff, simple contour ridging is no longer being included as an improved soil conservation practice. <hr/> COMMENTS: Data on female headed households will be available for the next reporting period. A preliminary sample of 25,000 households indicated that approximately 32.5% of all households in the target area were female headed. This number will be confirmed and used as the basis for comparison. Data is reported at the end of each crop year. 1996 data is for crop year 1995-1996; 1997 data is for crop year 1996-1997, etc. Low initial achievements in 1996 reflect the limited number of implementing partners and the fact that the project was still in the technology testing phase.	YEAR	PLANNED	ACTUAL
	1996(B)	a) 400 b) 1,000 c)	a) 385 b) 822 c)
	1997	a) 600 b) 1,400 c)	a) 506 b) 1,272 c)
	1998	a) 750 b) 3000 c)	
	1999	a) 2,500 b) 10,000 c)	
	2000(T)	a) 6,000 b) 25,000 c)	

STRATEGIC OBJECTIVE 2: INCREASED SUSTAINABLE USE, CONSERVATION, AND MANAGEMENT OF NATURAL RESOURCES APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
STRATEGIC OBJECTIVE 2: Increased sustainable use, conservation, and management of natural resources			
INDICATOR: Adoption of improved soil fertility practices			
UNIT OF MEASURE: a) no. of hectares b) no. of farm families (FF) c) % of FF that are female headed <hr/> SOURCE: Washington State University and partner institution reports <hr/> INDICATOR DESCRIPTION: Improved soil fertility practices include intercropping with soil-improving trees and/or short-term fallows systems. <hr/> COMMENTS: Data on female headed households will be available for the next reporting period. A preliminary sample of 25,000 households indicated that approximately 32.5% of all households in the target area were female headed. This number will be confirmed and used as the basis for comparison. Data is reported at the end of each crop year. 1996 data is for crop year 1995-1996; 1997 data is for crop year 1996-1997, etc. Low initial achievements in 1996 reflect the limited number of implementing partners and the fact that the project was still in the technology testing phase.	YEAR	PLANNED	ACTUAL
	1996(B)	a) 3,500 b) 7,000 c)	a) 3,311 b) 6,543 c)
	1997	a) 7,000 b) 15,000 c)	a) 4,381 b) 12,993 c)
	1998	a) 10,000 b) 22,000 c)	
	1999	a) 16,500 b) 32,000 c)	
	2000(T)	a) 33,400 b) 67,500 c)	

STRATEGIC OBJECTIVE 2: INCREASED SUSTAINABLE USE, CONSERVATION, AND MANAGEMENT OF NATURAL RESOURCES APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
STRATEGIC OBJECTIVE 2: Increased sustainable use, conservation, and management of natural resources			
INDICATOR: Adoption of improved tree planting practices			
UNIT OF MEASURE: a) Millions of new trees planted per year b) no. of farm families (FF) c) % of FF that are female headed <hr/> SOURCE: Washington State University and partner institution reports <hr/> INDICATOR DESCRIPTION: Improved tree planting practices include trees planted as woodlots, homestead/boundary planting and living barns for wood and other tree products. Baseline, targets and achievements are limited only to USAID and partners, and excludes trees planted by the Forestry Department and relief organizations. <hr/> COMMENTS: Data on female headed households will be available for the next reporting period. A preliminary sample of 25,000 households indicated that approximately 32.5% of all households in the target area were female headed. This number will be confirmed and used as the basis for comparison. Low initial achievements in 1996 reflect the limited number of implementing partners and the fact that the project was still in the technology testing phase.	YEAR	PLANNED	ACTUAL
	1996(B)	a) 0.08 b) 255 c)	a) 0.05 b) 528 c)
	1997	a) 2.5 b) 10,000 c)	a) 2.4 b) 9,650 c)
	1998	a) 4.0 b) 15,000 c)	
	1999	a) 6.0 b) 24,000 c)	
	2000(T)	a) 9.0 b) 50,000 c)	

STRATEGIC OBJECTIVE 2: INCREASED SUSTAINABLE USE, CONSERVATION, AND MANAGEMENT OF NATURAL RESOURCES APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULT 2.1 : Comprehensive policy and legislative framework established			
INDICATOR: New policies and legislation enacted			
UNIT OF MEASURE: a) National and/or sectoral policies which have been enacted b) National and/or sectoral legislation which have been enacted SOURCE: University of Arizona reports; GOM documents INDICATOR DESCRIPTION: National Policies/Legislation include the National Environmental Policy (NEP) and Environmental Management Act (EMA) Sectoral Policies/Legislation are those in forestry, fisheries, parks/wildlife, land use, agriculture and water/irrigation sectors. COMMENTS: This indicator tracks only policy and legislation which has been enacted. Hidden is the complex and time consuming process which leads to enactment. Each new policy and legislation requires that an action plan for reform be developed; that an internal review and revision of the policy be completed; that stakeholder consultations take place; that draft policy/legislation be revised to reflect the stakeholder consultations; and that approval be received from the appropriate government body (the Cabinet approves policies; the Head of State approves legislation, which must also be gazetted). USAID supports a policy advisor within the Ministry of Forestry, Fisheries and Environmental Affairs who is helping to coordinate this policy and legislative reform process.	YEAR	PLANNED	ACTUAL
	1996		
	a) Policy	a) NEP	a) NEP
	b) Legislation	b) --	b) EMA
	1997		
	a) Policy	a) Forestry	a) --
	b) Legislation	b) --	b) Forestry Fisheries
	1998		
	a) Policy	a) Forestry Wildlife Fisheries Water Res. Irrigation Agriculture	a)
	b) Legislation	b) Forestry Wildlife Fisheries Water Res. Irrigation Agriculture	b)
	1999		
	a) Policy	a) Land	a)
	b) Legislation	b) Land	b)

STRATEGIC OBJECTIVE 2: INCREASED SUSTAINABLE USE, CONSERVATION, AND MANAGEMENT OF NATURAL RESOURCES APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULT 2.2 : Capacity of national NRM institutions strengthened			
INDICATOR: Prototype environmental information system (EIS) developed and applied			
UNIT OF MEASURE: Phases I , II, and III: percentage (cumulative) of activities completed Phase IV: Yes/No SOURCE: University of Arizona reports <hr/> INDICATOR DESCRIPTION: Phase I: Develop initial proposal for Shire River Pilot EIS; refine strategies for resource coordination, information sharing and compatibility of information systems; develop technical design of Shire River EIS Phase II: National data archiving standards established and adopted Phase III: Prototype EIS produces/disseminates Shire River Environmental Situation Report Phase IV: Other EIS analyses produced and distributed <hr/> COMMENTS: This indicator is being achieved through the technical and financial support of both USAID and the World Bank to the Ministry of Forestry, Fisheries and Environmental Affairs, land Resources and Conservation Department, Department of Meteorology and Department of Surveys.	YEAR	PLANNED	ACTUAL
	1996	Phase I 100%	35%
	1997	Phase I 100% Phase II 100% Phase III 60% Phase IV Y	100% 95% 50% N
	1998	Phase II 100% Phase III 100% Phase IV Y	

STRATEGIC OBJECTIVE 2: INCREASED SUSTAINABLE USE, CONSERVATION, AND MANAGEMENT OF NATURAL RESOURCES APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULT 2.2 : Capacity of national NRM institutions strengthened			
INDICATOR: Environmental research and training strengthened			
UNIT OF MEASURE: Activity 1: Percent trained/capable Activity 2: Percent completed (cumulative) Activity 3: Yes/No Activity 4: Yes/No Activity 5: Percent completed (cumulative) SOURCE: University of Arizona reports INDICATOR DESCRIPTION: Activity 1: 18 GOM technicians trained & capable of conducting geographic information system (GIS) environmental research Activity 2: New curricula developed and in use for environmental science courses at University of Malawi (UNIMA) Activity 3: GIS training offered by at least one UNIMA campus on a regular basis Activity 4: Local environmental research grants program operational and grants awarded Activity 5: Environmental monitoring methodologies developed (area sample frame) COMMENTS: Activity 2: The curriculum development for Bunda College of Agriculture is ongoing. Activity 5: This research activity was originally initiated under SO1 as a means of monitoring the impact of increased burley tobacco production by smallholders. Under SO2, its focus has changed to developing monitoring methodologies for natural resource management.	YEAR	PLANNED	ACTUAL
	1996	Act. 1: 100%	100%
	1997	Act. 2: 100% Act. 3: Y Act. 4: Y Act. 5: 100%	35% N Y 60%
	1998	Act. 2: 100% Act. 3: Y Act. 4: Y Act. 5: 100%	
	1999		
	2000		

STRATEGIC OBJECTIVE 2: INCREASED SUSTAINABLE USE, CONSERVATION, AND MANAGEMENT OF NATURAL RESOURCES APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULT 2.3 : Service programs improved			
INDICATOR: Agroforestry technologies and support services tested, evaluated and adapted at farm level before broad-based extension to farmers			
UNIT OF MEASURE: Number of technologies (cumulative) which are: a) undergoing testing b) have completed testing and modification/adapting with farmers <hr/> SOURCE: Washington State University quarterly reports <hr/> INDICATOR DESCRIPTION: Each technology undergoes on-farm testing with farm communities in multiple sites to identify what technologies work where and why, and what does not. Refinements/adaptations are made to enhance farmer adoption with faster and greater returns and lower costs by better understanding the socio-economic and bio-physical factors that affect adoption. When testing is complete, extension recommendations are made, but improvements may continue in management and species selection. <hr/> COMMENTS: Technologies being tested fall into four basic categories: a) Germplasm multiplication/collection --Tree nurseries (individual and communal) --Vetiver nurseries --Seed banks --Community seed collection/production b) Soil and water conservation --Contour ridging with A-frame/line level --Gully reclamation --Contour hedgerows of grass/shrub species --Reduced tillage & crop residue management c) Soil fertility/conservation --Dispersed-systematic tree interplanting --Hedgerows/alley intercropping --Increased use of improved pigeon peas/other grain legumes --Improved short-term fallows --Undersowing legume shrubs with food/cash crops d) Tree planting for wood/other products --Woodlots/homestead & boundary planting --Living fences --Fodder banks --Living barns	YEAR	PLANNED	ACTUAL
	1992	a) 12 b) 0	a) 12 b) 0
	1993	a) 13 b) 0	a) 13 b) 0
	1994	a) 11 b) 3	a) 11 b) 3
	1995	a) 6 b) 9	a) 6 b) 9
	1996	a) 2 b) 14	a) 2 b) 14
	1997	a) 2 b) 15	a) 2 b) 15
	1998	a) 2 b) 15	a) b)
	1999	a) 1 b) 16	a) b)
	2000	a) 0 b) 17	a) b)

STRATEGIC OBJECTIVE 2: INCREASED SUSTAINABLE USE, CONSERVATION, AND MANAGEMENT OF NATURAL RESOURCES APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULT 2.3 : Service programs improved			
INDICATOR: Ongoing partnership agreements			
UNIT OF MEASURE: Number <hr/> SOURCE: WSU quarterly reports <hr/> INDICATOR DESCRIPTION: USAID/NGO/private sector partnership agreements which support agroforestry/soil conservation <hr/> COMMENTS: USAID support for agroforestry/soil conservation began as a research-oriented program working with the Forestry Department in six Agricultural Development Divisions); cooperation with the EU-funded PROSCARP project also took place. These are the 8 partnerships reflected in the 1994 baseline. In 1995, when the program moved to SO2 and changed its emphasis from research to adoption, the idea of extending services through partnerships with NGOs and the private sector began to be explored. During 1996, WSU continued to work with the six new partnership agreements initiated in late 1995, thoroughly testing and evaluating the new approach before entering into additional partnerships in 1997. While this indicator reports on partnerships formed during a calendar year. The actual results of these partnerships will not be reported on until the following year, at the end of the crop season for which the partnership provides services (see following table and SO level tables recording adoption of improved NRM practices).	YEAR	PLANNED	ACTUAL
	1994		8
	1995		14
	1996	14	14
	1997	29	29
	1998	30	
	1999	30	

STRATEGIC OBJECTIVE 2: INCREASED SUSTAINABLE USE, CONSERVATION, AND MANAGEMENT OF NATURAL RESOURCES APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULT 2.3 : Service programs improved			
INDICATOR: Agroforestry/soil conservation support provided through partnerships			
UNIT OF MEASURE: a) No. of field staff formally trained in agroforestry/soil conservation (cumulative) b) No. of ha. of vetiver nurseries that can be established with planting materials provided (cumulative) c) Tons of pigeon pea seed distributed to partners per year d) Tons of tree seed distributed to partners per year SOURCE: WSU quarterly reports INDICATOR DESCRIPTION: USAID/NGO/private sector partnership agreements which support agroforestry/soil conservation COMMENTS: Services provided through partnerships are based on the cropping season and are reported against the appropriate crop season, i.e. services included under 1997 were provided in late 1996 and early 1997 for the 1996-1997 crop season. Training is given and pigeon pea/tree seed is distributed at the beginning of a cropping year; vetiver distribution takes place during the cropping season. In addition to the services tracked in this indicator, support to partners includes frequent field visits with technical advice and problem solving assistance; production and dissemination of extension/training materials; and assistance with monitoring and evaluation. Seed distribution in (c) and (d) in 1996 was limited to demonstration plots only. Distribution to farmers only began in 1997.	YEAR	PLANNED	ACTUAL
	1996	a) 200 b) 31 c) 0.1 d) 2.1	a) 200 b) 33 c) 0.1 d) 2.1
	1997	a) 225 b) 83 c) 10 d) 6.1	a) 225 b) 87 c) 10.6 d) 6.1
	1998	a) 562 b) 155 c) 15 d) 5.2	
	1999	a) 1125 b) 250 c) 20 d) 9	
	2000	a) 1700 b) 350 c) 40 d) 14	

**STRATEGIC OBJECTIVE 3: INCREASED ADOPTION OF MEASURES TO
REDUCE FERTILITY AND RISK OF HIV
TRANSMISSION, INCLUDING IMPROVED CHILD
HEALTH PRACTICES**

SECTION I: PERFORMANCE ANALYSIS

Relationship to Mission Performance Plan - SO3 supports the MPP's second goal, "promote sustainable economic growth," comprising the sixth objective within that goal: "implement family planning programs, reduce the rate of HIV transmission, and increase child survival."

SO3 Results Framework - SO3 is comprised of three related program elements--family planning, HIV/AIDS/STD, and child health practices, and receives funding allocations from population and child survival and diseases accounts. The SO focuses on behavior change--the adoption of measures or practices--at the level of the family. The SO3 Team and its partners developed a separate results framework (RF) for each of the three elements, then identified the intermediate results (IR) that were common to all. The final RF is a consolidation of the critical IRs required to achieve the objective. Indicators at the SO level are contraceptive prevalence rate, condom usage rate (males/females), and usage rate of oral rehydration therapy for diarrhea (children <5). These data are collected every three to four years in demographic and health surveys.

Performance Rating and Overview - Performance under SO3 met expectations. While no national surveys took place during the reporting period to provide data for the SO-level indicators, there was clearly forward momentum. Activities to strengthen the delivery of family planning and STD services in GOM, NGO and private sector companies continued to make good progress and important child survival activities were carried out and completed. Disappointingly, the new partnership activities that were to begin in support of community health were not initiated as planned due to delays in contracting. However, at the national level, the Ministry of Health and Population (MOHP) moved forward on its health policy reform effort.

During the reporting period the SO3 team reengineered two results packages (RPs). This was accomplished with substantial participation and ownership by Malawian stakeholders, partners and customers. For the STAFH RP, in late 1997 SO3 conducted a participatory review of the reproductive health sector, holding 12 focus group discussions in two major cities with active participation from a total of 250 implementing agency staff. The team had determined that this approach would provide maximum input and interaction between the staff of the multiple implementing agencies. The success of the approach exceeded expectations. Participants not only discussed problems and implementation issues, but also identified appropriate, workable solutions -- some of which were put into motion immediately. Other donors also participated in the meetings and a World Bank study team had at least one team member attend each focus group. The results of the 12 discussion groups were presented at a two day workshop in December in which 80 stakeholders and partners participated. The feedback received on this

process and the results were outstanding. The information is now being used to facilitate the reengineering, redesign and extension of the reproductive health RP.

During the same period, applications were received for grants to support private voluntary organization (PVO)/district health office (DHO) partnerships for strengthening systems which lead to improvements in delivery of primary health services under the CHAPS RP. A team of MOHP and USAID staff reviewed the submissions and recommended the top five for funding. There was clear evidence that the best proposals had been developed in the field, by staff from both the MOHP and the PVOs, rather than in a U.S. headquarters office. In spite of the delays in signing and funding the agreements, meetings with the new partners were held, planning has continued, and the first training activity is scheduled to begin in March. (Note: activities have already started with the preauthorization letters of November 1.)

Evaluations and Studies - Results from last year's evaluation of training programs of health workers in STD syndromic management and in utilization of the Contraceptive Distribution and Logistics Management Information System (CDLMIS) are being used to improve the training curricula and materials, revise forms, and make adjustments and improvements in supervision activities. A national survey of AIDS education in the classroom revealed that the subject is being taught and that students in upper primary and secondary levels are very interested in the subject, but that more teaching materials and training of teachers are needed. The first phase of a management audit of the MOHP was carried out. Following its review, the MOHP requested that the second phase focus on district level issues to inform upcoming decisions on decentralization. Several important malaria studies were carried out to examine the success of the malaria treatment protocol, which was introduced in 1993, and is unique to Malawi among African countries. Utilization, efficacy and impact of the first-line treatment for malaria--Sulphadoxine-pyrimethamine, or SP--were studied and the results were encouraging: 70% of women delivering at two hospitals in Malawi had taken SP and over half had two doses, as recommended; the maternal anemia rate had fallen from 56% in 1989, to 25% 1997; comparisons between 1990 and 1997 showed the prevalence of low birth weight babies had dropped from 17% to 8%, while still births were reduced from 7% to 2%; and, although SP efficacy declined slightly in two districts between 1994 and 1997 (97-93% vs 92-87%), clinical failure among children under 5 years old remained less than 1%. Two complementary studies of insecticide treated materials (bednets and curtains) were also carried out and have provided input into the development of a national insecticide-treated materials (ITM) strategy and program.

Donor Coordination - Significant progress has been made to better coordinate donors and their activities, but more remains to be done. As co-chair of the Health and Population Donor Group (with UNFPA), USAID has taken the lead on developing a national health and population evaluation plan. The cornerstone of this plan will be the 1998 Malawi Population Census, which is receiving USAID support. The plan will include the 2000 demographic health survey (DHS) and all other survey activities and analyses that are required between September 1998 and December 2001. By coordinating MOHP and donor inputs and requirements, the evaluation plan will be more cost-effective, the quality and usefulness of the

analyses and reports will improve, and data collection and use will be better. At the activity implementation level, since UNFPA/WHO and USAID are the major supporters of family planning activities, a conscious effort has been made to plan and implement activities in a collaborative fashion to reduce the burden of coordination on government staff and to continue to utilize resources and organizations outside of GOM to achieve the targets of the IRs.

IR 3.1: Condoms and other health supplies sold at retail outlets - This year's condom social marketing sales figures (5.75 million) were about the same as the previous year (5.8 million). A comparison between 1996 and 1997 is misleading, however, as 1996 sales were artificially high due to the volume associated with opening new wholesale outlets. Sales at many outlets are seasonal, and trader sales are more sensitive to price than end consumer sales. While 1997 sales continued to be strong, the latent demand for condoms is close to being filled and future volume gains will require higher levels of behavior change among at-risk Malawians. In response to this challenge, the implementing agency has developed a new marketing plan which better targets the most at-risk populations (young urban men and women) with more appropriate messages that will lead to behavior change.

An important child survival target under this IR was also achieved. The availability of first-line anti-malarial drugs in rural private outlets increased from 20% in 1995, to 70% in 1997. As local manufacture of SP increased, the price of the drug fell from the equivalent of \$2 per treatment dose in 1995, to \$.10 in 1997. Based on this success, the target for 1999 has been revised upward to 90%.

IR 3.2: Family planning, STD/HIV, and child health services accessible and provided to Malawi's citizens - Malawian women continued to seek modern methods of family planning from government and non-governmental hospitals and health clinics. The indicators and targets for this IR are being reexamined based on the recognition that counting the number of facilities that offer family planning services does not give a complete picture, as many understaffed health centers only offer services for four hours on two days of the week. In a like manner, the definition of hospitals offering comprehensive services has been refined to hospitals offering minilaparotomies under local anesthetic (ML/LA). By counting only these hospitals, the total number achieved for FY97 (23) is lower than the projected 30. It is anticipated, however, that the original target of 33 hospitals by 2000 will be achieved.

With USAID financing, improvements were made at targeted health facilities to enhance the availability and quality of family planning services. Renovations were started at 30 locations, with eight completed by the end of the year. At the same time, new family planning and STD-related equipment and supplies were procured and delivered to 238 GOM and NGO facilities (over 50% of the 434 facilities that provide family planning services). Training of providers and supervisors was carried out at all levels and the provision of contraceptive supplies was improved during the reporting period.

Employment-based services for family planning and STD continued to increase during the year, as more companies participated in the Work Place Task Force. One of the most significant players is Project Hope. With SO3 support, Project Hope has targeted large agricultural estates in nine districts which employ thousands of workers. Over the past year they have made STD services available at 37 new clinics and trained 75 health care providers.

Although the target of 70% coverage (of companies with more than 300 employees) was not met (only 65% coverage was achieved), there has been a steady increase in private sector involvement and investment in HIV/AIDS prevention activities. Given that several of the largest companies became actively involved this year, it is anticipated that the smaller companies will now follow and the 90% target for 2000 will be achieved.

Several activities took place in 1997 to improve the delivery of child survival services. Fifty laboratory technicians from urban health centers in the three regional headquarters were cross trained in malaria and tuberculosis microscopy. At the same time, the MOHP moved toward introducing the Integrated Management of Childhood Illness (IMCI) approach, and is expected to adopt it at the national level in the near future.

IR 3.3: Increased participation of community members in activities that improve health -

A survey of actual consumption of contraceptive supplies carried out in late 1997 showed a substantial increase in the use of oral contraceptives, which was directly attributed to the work of the increasing numbers of trained community-based distribution agents (CBDAs), who provide services to rural clients. The large increase in the total number of CBDAs and supervisors trained in 1996 and 1997 (1000 and 2500 respectively) has been accomplished due to the development, with USAID-financed technical assistance, of an approved curriculum in 1996. USAID's target of 750 CBDAs for this year was greatly exceeded as SO3 was able to leverage other sources of funding to train an additional 1750 CBDAs. The success of this intervention has resulted in a new \$35 million World Bank-financed initiative, which will expand the scale of the CBDA program nationally in 1999.

On the child survival side, 15 rural water systems serving a population of almost 230,000 villagers were completed during the reporting period. Additional systems, providing bore holes to small rural communities (250 persons each), will be constructed in the next two years. The 1999 and 2000 targets for number of persons to be served will be verified with the PVO/DHO partnerships once the cooperative agreements are finalized.

Maternal and child health and district strengthening activities were not launched as planned this year due to delays in negotiating the agreements for the five PVO/DHO partnerships. Nevertheless, most of the participating PVOs are already implementing centrally-funded child survival grants and made substantial contributions toward improving child health practices in the districts where they were operating. Sixty-four drug revolving funds (DRFs) were set up by Africare and SCF/US in their respective districts. These DRFs include a supply of SP for treating malaria in children within 24 hours of onset of disease and a supply of oral rehydration salts for diarrhea.

Under this IR, SO3 also supports a cross-cutting initiative, the COPE RP, which assists communities to mobilize local resources to mitigate the impact of AIDS. Activities include training in home-based care of the sick and elderly, identification of orphans and interventions to keep them in school or get them re-enrolled, and income generating activities to increase the overall community resources to enable villagers to assist the most destitute families with basic requirements. This initiative links with other mission SOs, including SO 1--increasing rural incomes, SO 4--keeping children, especially girls enrolled in school, and SO 5--strengthening democracy.

IR 3.4: Improved knowledge of family planning, HIV transmission and prevention, and child health practices - By increasing peoples' knowledge of health problems, promoting good preventive health behavior and creating appropriate demand for health services, activities supported under this IR help Malawians make better health-related choices. Achievement against this IR is measured through the DHS, which will not take place again until 2000. However, small knowledge, attitudes, and practices (KAP) studies in targeted areas indicate that increases in awareness are leading to behavior change. Most significant is the impact of AIDS education in the schools, which USAID supported in 1994-1995 by reprinting 154,000 copies of teachers' guides and students' handbooks, delivering them to all school districts, and training 13,000 primary school teachers and headmasters in their use. Students' knowledge of HIV, as well as their participation in extra curricular anti-AIDS clubs, has increased significantly. However, teachers are still not certain that they should or can teach about HIV/AIDS. This obstacle will be overcome this year by the introduction of new primary school curricula for social studies and for science which incorporate chapters on HIV and AIDS for each grade.

SECTION II: EXPECTED PROGRESS THROUGH FY 2000 AND MANAGEMENT ACTIONS

Performance under SO3 has been one of steady progress, constrained by the limited human and financial resources available to the GOM. The cash budgeting system mandated by the International Monetary Fund and the strict controls on the national budget have left the district health offices strapped for resources, particularly for prevention and supervision activities. Nevertheless, the demand for family planning services continues to increase as does the number of facilities and trained providers that offer those services. With USAID financing, both the NGO and private sectors have been active partners in promoting better reproductive health behaviors and expanding reproductive health services to targeted areas and clients.

The biggest constraint to providing STD treatment is guaranteeing a constant supply of required pharmaceuticals. To this end, the National AIDS Control Program (NACP), World Bank and USAID representatives recently formed a partnership to support the NACP two-year interim plan (1998--1999) which includes strengthening the STD program. The proposed strategy is for USAID to provide technical assistance and training, while the World Bank finances pharmaceuticals, test kits, supplies and local costs. Under this partnership, the

NACP staff will be better able to manage and coordinate donor inputs and the donor agencies will be better motivated to work together to mutually achieve the program objectives.

With the signing of the PVO/DHO partnership agreements in early 1998, the three-year proposed activities are about to be initiated. An important element of these grants is the focus on quality assurance, which will be supported with technical assistance from the G/PHN Quality Assurance Project. Given that a European Union-financed program has a similar thrust, their two resident technical advisors have become partners and members of the SO3 expanded team. In addition to improving district level support systems, the partnerships will focus on delivery of child survival and reproductive health services at hospital, health center, and community levels. Because districts with partnerships will have additional human and financial resources available, USAID plans to focus future reproductive health activities more intensely and monitor the results more closely in these districts.

In early 1998, two other activities will be launched in targeted areas: The Blantyre Integrated Malaria Initiative (BIMI) will strengthen the overall ability of the Blantyre District Health Management Team to provide health services, particularly those related to malaria detection and treatment. An additional child survival activity will also be launched in early 1998, to socially market oral rehydration therapy (ORT) and exclusive breast feeding (EBF). While oral rehydration salts (ORS) will be the product that will be promoted, messages to promote continued feeding and increased provision of home made fluids and breast milk for children with diarrhea, will be developed and disseminated.

Since MOHP health reform activities are potentially very significant and far reaching, SO3 will continue to be engaged in their full development and implementation. It is the intention of the MOHP to work toward the establishment of a health sector approach, which would be supported by all donors, in lieu of individual projects. Given the pace of health reform activities over the past three years, it is not clear that the MOHP will be ready for sectoral assistance by 2000. Preliminary support provided by USAID includes the management audit phase one situation analysis, which will be followed by a district level management audit in early 1998. USAID will be developing a policy results package this year that will support the analysis of data, development of policies, and full participation of stakeholders, providers and customers who will be engaged in the health reform process.

SO3 remains optimistic that it will be able to reach its targets by 2000 if it carefully refines and manages its activities over the next two years.

SECTION III: PERFORMANCE DATA TABLES

STRATEGIC OBJECTIVE 3: INCREASED ADOPTION OF MEASURES THAT REDUCE FERTILITY AND RISK OF HIV TRANSMISSION, INCLUDING IMPROVED CHILD HEALTH PRACTICES. APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULT 3.1 : Condoms and other health supplies sold at retail outlets			
INDICATOR: Number of condoms sold to wholesalers and retailers			
UNIT OF MEASURE: Thousands per calendar year SOURCE: Population Services International/Malawi (PSI/M) sales records INDICATOR DESCRIPTION: Chishango condoms sold to wholesale and retail outlets COMMENTS: A condom use profile survey completed in December 1997, found 84% of condom users buy Chishango brand, 13% get them free from the public sector, and 3% use other commercial brands.	YEAR	PLANNED	ACTUAL
	1994		992
	1995	4,000	4,642
	1996	5,500	5,816
	1997	6,000	5,752
	1998	6,500	
	1999	7,000	
	2000	7,500	

STRATEGIC OBJECTIVE 3: INCREASED ADOPTION OF MEASURES THAT REDUCE FERTILITY AND RISK OF HIV TRANSMISSION, INCLUDING IMPROVED CHILD HEALTH PRACTICES. APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULT 3.1 : Condoms and other health supplies sold at retail outlets			
INDICATOR: Availability of first-line anti-malaria drugs in rural private outlets			
UNIT OF MEASURE: Percentage SOURCE: MOHP Surveys 1995 and 1997 Community Health Services Unit (CHSU) INDICATOR DESCRIPTION: SP available at rural private outlets COMMENTS: With the increase in supply of SP the price, which was \$2.00 per treatment dose in 1995, has been reduced to \$0.10 in 1997.	YEAR	PLANNED	ACTUAL
	1995(B)		20
	1997		70
	1999	90	
	2000(T)	95	

STRATEGIC OBJECTIVE 3: INCREASED ADOPTION OF MEASURES THAT REDUCE FERTILITY AND RISK OF HIV TRANSMISSION, INCLUDING IMPROVED CHILD HEALTH PRACTICES. APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULTS 3.2: Family planning, STD/HIV, and child health services accessible and provided to Malawi's citizens			
INDICATOR: Number of MOHP and Christian Health Association of Malawi (CHAM) hospitals providing comprehensive family planning services, including ML/LA.			
UNIT OF MEASURE: Number of hospitals SOURCE: National Family Planning Council of Malawi records and STAFH project reports INDICATOR DESCRIPTION: Comprehensive family planning services include the following: barrier methods, orals, injectables, IUDs, and long term surgical methods including minilap/local anesthetic COMMENTS: The indicator has been refined to include only those hospitals offering female sterilization services using ML/LA, indicating that staff have been recently trained using this preferred technique. Only five teams were trained in 1997, while the MOHP focused on developing a long-term contraceptive strategy, now completed. CHAM hospitals follow the same rules and regulations as GOM hospitals and receive MOHP support.	YEAR	PLANNED	ACTUAL
	1992(B)		8
	1993		11
	1994		11
	1995		14
	1996	18	18
	1997	30	23
	1998	33	
	1999	33	
	2000	33	

STRATEGIC OBJECTIVE 3: INCREASED ADOPTION OF MEASURES THAT REDUCE FERTILITY AND RISK OF HIV TRANSMISSION, INCLUDING IMPROVED CHILD HEALTH PRACTICES. APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULT 3.2: Family planning, STD/HIV, and child health services accessible and provided to Malawi's citizens			
INDICATOR: Access to employer-based HIV/STD information and condom distribution			
UNIT OF MEASURE: Percentage SOURCE: STAFH contractor reports and National Family Planning Council reports on the Work Place Task Force INDICATOR DESCRIPTION: Employees with access as a percent of the total number employed by the estimated 186 companies with more than 300 employees. Services provided include peer education, condom distribution, provision of pamphlets, videos, posters, etc. COMMENTS: Approximately 202,000 employees presently have access to these services.	YEAR	PLANNED	ACTUAL
	1992(B)		10
	1993		10
	1994		10
	1995		26
	1996	56	56
	1997	70	65
	1998	80	
	1999	85	
	2000(T)	90	

STRATEGIC OBJECTIVE 3: INCREASED ADOPTION OF MEASURES THAT REDUCE FERTILITY AND RISK OF HIV TRANSMISSION, INCLUDING IMPROVED CHILD HEALTH PRACTICES. APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULTS 3.3: Increased participation of community members in activities that improve health			
INDICATOR: Community-based distribution agents (CBDA) and supervisors providing family planning information and services			
UNIT OF MEASURE: Number of CBDAs/supervisors <hr/> SOURCE: National Family Planning Council of Malawi records and STAFH Project reports <hr/> INDICATOR DESCRIPTION: CBDAs/supervisors who are trained, providing services, and reporting <hr/> COMMENTS: The actual figure includes CBDAs and supervisors who have been trained in the past year under USAID and other donor funded projects, as well as those from previous years who are still providing services. There is usually substantial dropout of CBDAs because they are volunteers. A new nationwide initiative is under development with World Bank funding. The curriculum, training materials and monitoring system were developed with USAID-funded assistance.	YEAR	PLANNED	ACTUAL
	1993(B)		134
	1994		374
	1995		578
	1996	650	1,000
	1997	750	2,500
	1998	868	
	1999	868	
	2000(T)	868	

STRATEGIC OBJECTIVE 3: INCREASED ADOPTION OF MEASURES THAT REDUCE FERTILITY AND RISK OF HIV TRANSMISSION, INCLUDING IMPROVED CHILD HEALTH PRACTICES. APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULTS 3.3: Increased participation of community members in activities that improve health			
INDICATOR: Population in targeted areas with access to safe water			
UNIT OF MEASURE: Population served in thousands SOURCE: Reports from implementing agencies INDICATOR DESCRIPTION: Gravity-fed potable water systems or bore holes serving populations in rural areas COMMENTS: Targets for numbers of bore holes and persons served under CHAPS water system component in each district will be verified after the agreements are signed. Total number of persons served per bore hole is much smaller than for gravity-fed systems.	YEAR	PLANNED	ACTUAL
	1994	0	0
	1995	1	3
	1996	107	109
	1997	282	229
	1998	282	
	1999	290	
	2000	300	

STRATEGIC OBJECTIVE 3: INCREASED ADOPTION OF MEASURES THAT REDUCE FERTILITY AND RISK OF HIV TRANSMISSION, INCLUDING IMPROVED CHILD HEALTH PRACTICES. APPROVED: 13/02/98 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULTS 3.3: Increased participation of community members in activities that improve health			
INDICATOR: Villages with drug revolving funds (DRF) and DRF volunteers			
UNIT OF MEASURE: a) Number of villages with DRFs b) Number of DRF women volunteers <hr/> SOURCE: Project reports from implementing agencies <hr/> INDICATOR DESCRIPTION: The DRF consists of basic medications including ORS and SP for malaria. Medications are sold on a cost recovery basis to villagers and are managed by women volunteers under the supervision of health surveillance assistants of the MOHP and PVOs. There are two volunteers per DRF to ensure that drugs will be available as and when needed in the community. <hr/> COMMENTS: DRFs were introduced in 1995 as a way to make treatment for diseases such as malaria more accessible to rural villagers. DRFs have been established by PVOs under BHR/PVC Child Survival Grants and more will be established in the six districts participating in the CHAPS Project.	YEAR	PLANNED	ACTUAL
	1994	--	a) 0 b) 0
	1995	--	a) 37 b) 74
	1996	--	a) 47 b) 94
	1997	--	a) 79 b) 158
	1998	a) 180 b) 360	
	1999	a) 200 b) 400	
	2000	a) 250 b) 500	

STRATEGIC OBJECTIVE 3: INCREASED ADOPTION OF MEASURES THAT REDUCE FERTILITY AND RISK OF HIV TRANSMISSION, INCLUDING IMPROVED CHILD HEALTH PRACTICES. APPROVED: 13/02/98 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULT 3.2.1: MOHP support systems strengthened			
INDICATOR: Contraceptive distribution and logistics management information system (CDLMIS) in operation at district level and below			
UNIT OF MEASURE: Percent of MOHP District Health Offices and subordinate health facilities fulfilling CDLMIS reporting requirements SOURCE: MOHP CDLMIS reports INDICATOR DESCRIPTION: District level quarterly reports of data which are compiled from CDLMIS reports from all district facilities offering family planning and/or STD services and forwarded to central level. COMMENTS: The indicator provides both a means to monitor the reproductive health program and the logistics system itself. Data reported for 1997 are based on a sample survey of 50% of the districts.	YEAR	PLANNED	ACTUAL
	1997(B)		79%
	1998	85%	
	1999	85%	
	2000	90%	

STRATEGIC OBJECTIVE 4: IMPROVED ACCESS TO AND QUALITY AND EFFICIENCY OF BASIC EDUCATION, ESPECIALLY FOR GIRLS

SECTION I: PERFORMANCE ANALYSIS

Relationship to Mission Performance Plan -SO4 is related directly to two of the four goals in the MPP, namely: 1) to promote consolidation of democratic institutions and practices; and 2) to promote sustainable economic growth. Research has conclusively shown that education is highly correlated with economic status. With regard to political development, cross-national research has revealed that educational level is the strongest predictor of the adoption of democratic values such as system support and political tolerance. Gains in basic education also promote other aspects of social development, such as reduced fertility and improved child survival.

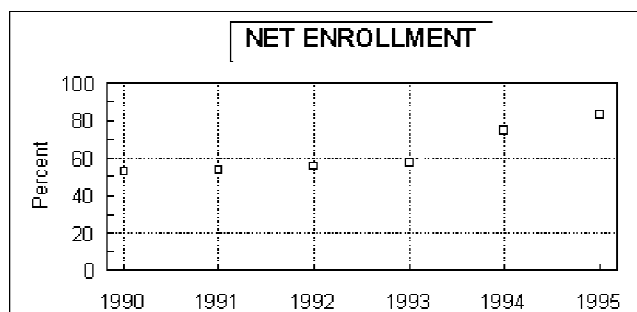
Results Framework Description - SO4 rests on four intermediate results (IRs), the attainment of which should lead to the achievement of the objective. They are: IR4.1: budget allocations for education sector and primary education increased; IR4.2: availability of resources (classrooms, teachers and learning materials) increased; IR4.3: classroom teaching improved; and IR4.4: social mobilization campaign (SMC) undertaken nationwide. In view of the high rate of return to girls' education, gender is an important cross-cutting theme in this portfolio. The program targets the elimination of policies which discriminate against girls, the reduction of gender stereotypes in the curriculum and the enhancement of the relevance of education for girls.

The IRs which support SO4 can be divided into those that generate demand for primary education and those that contribute to increasing the supply and quality of education. IR4.4 refers to generating demand for primary education on the part of parents and removing social and cultural barriers to enrollment and persistence in school, especially for girls. IRs 4.1-4.3 relate to the supply, quality and efficiency of primary education. A major determinant of the supply and quality of primary education is the amount of resources the government allocates to the sector. Another important dimension is the expenditure per pupil per year.

GOM and donor financial contributions affect the availability of the resources needed to provide primary education, such as schoolrooms, teachers and materials. Resource availability, in turn, affects quality. This is reflected in IR4.3, quality of classroom teaching. Finally, the quality of primary education is directly linked to efficiency in that the poor quality of instruction in the classroom has been shown to be a major determinant of repetition and drop-out rates. Low efficiency drives up costs and makes poor use of the limited resources available to the sector. All of these factors are interrelated and must be addressed using a systems approach.

Performance Rating and Overview - Performance under SO4 fell short of expectations, although performance was uneven across the IRs. It is important to bear in mind that the mission has undertaken a comprehensive evaluation of the education portfolio and, in concert with other donors, is actively redirecting its assistance to enhance portfolio and sector performance.

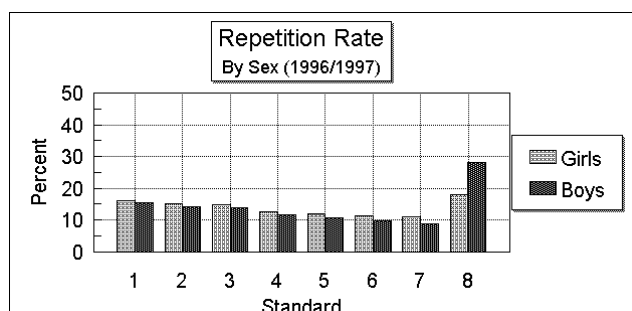
In October 1997, the mission initiated an exhaustive assessment of the Girls' Attainment in Basic Literacy and Education (GABLE) program. This was done for three reasons. First, the final program evaluation was due. Second, the mission was invited and accepted to participate in a CDIE impact study regarding girls education. Third, routine monitoring revealed that external conditions in the education sector were changing and, as a result, implementation problems were surfacing. Specifically, disbursement of NPA tranches was significantly behind schedule, and negotiations suggested both a lack of shared vision regarding the relative importance of policy conditionalities to sector reform and limited institutional capacity to implement and track reforms. Consequently, the mission opted to combine both the program and impact evaluations and asked that they be carried out simultaneously by the same team. The evaluation yielded conclusions and recommendations with far-reaching implications for both GABLE and the sector as a whole.



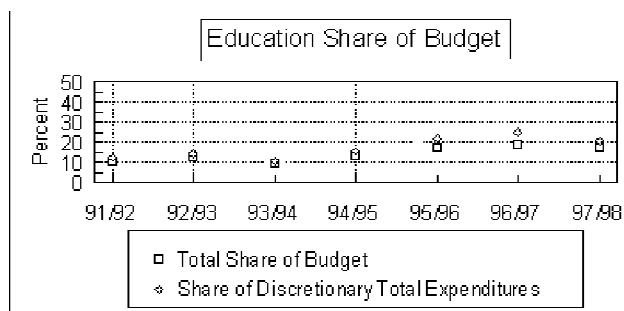
The key question which the evaluation addressed was, "Did the program attain its objectives of increasing access to and quality and efficiency of primary education, especially for girls?" In brief, the evaluation found that the program had a positive impact on creating demand for girls' education and removing many barriers to girls' enrollment and persistence in primary school, largely as a result of the

Social Mobilization Campaign and initial primary school fee waivers for girls. Between 1995 and 1997, the SMC attained national coverage and increased girls' enrollment in the first 7 districts by 9% to 38%.

Girls' enrollments in primary school rose from 39% of the total in 1992 to 48% in 1997. Partly as a result of the new pregnancy policy, girls' enrollments in standard 8 as a percentage of the total (a crude measure of persistence) increased from 30% in 1989 to 39.5% in 1997. Repetition rates for girls in standards 1-8 dropped from 20.3% in 1990/91 to 14.6% in 1996/97, and are only 1-2 percentage points higher for girls than boys. Boys' rates shoot up in standard 8 as boys repeatedly try to pass exit exams.



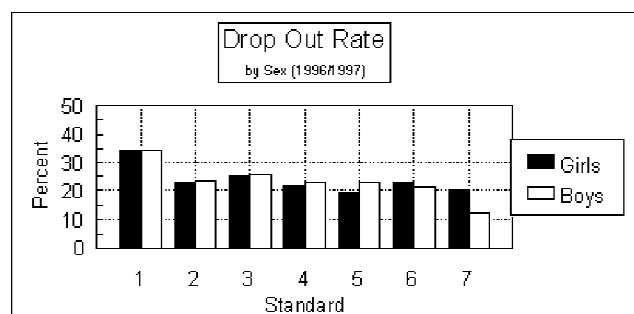
The impact of GABLE on access, quality and efficiency of education is less clear. Though demand for primary education is very high and many barriers to girls' entry have been overcome, access in terms of net enrollment cannot be accurately measured until the 1998 census provides population data. The last reliable data are from a 1995 UNICEF study. Moreover, there are two factors which impinge on access. The first is distance. In 1995, only 36% of children lived within 1 km. of a school, while 40% walked between 1 and 3 kms. and 24% walked more than 3 km. The situation may have improved since 1995 with the construction of a number of community schools, though how much it has improved is unclear. Second, many students attend class under a tree or temporary shelter, raising the question of what access to a school really means.



Trends in access, resource allocation, quality and efficiency must be viewed in the context of political events in Malawi. Clearly, GABLE I opened up access for girls and encouraged increased resource allocation to the education sector, GABLE II policy reforms began at the same time that the newly-elected government declared free primary education (FPE). Enrollments

doubled almost overnight from 1.6 million to 3.2 million students. To cope with this increased demand, the government increased education's share of the budget from a pre-FPE level of 12% to 21% in 1996/97. The most significant increases occurred between 1994 and 1996.

Also in response to the increased demand for primary education, the Ministry of Education (MOE) brought about four thousand retired teachers back into service and hired approximately 18,000 lay teachers who possessed at least a primary school leaving certificate, but no training in pedagogy. By doing this, the MOE succeeded in meeting the established overall target of 1 teacher for every 61 pupils. This is an important achievement; yet even this large number of teachers has been insufficient to uniformly address high teacher/pupil ratios. The average figure for standards 1-8 masks the overcrowding problem in the lower grades; 33% of classrooms do not meet the target. The implications for quality and efficiency in the earlier grades are evident in the high drop-out rates, which reach 34% in standard 1. Rates remain equally high for girls and boys until standard 7, when the rate for girls is almost double that for boys.



In sum, there have been major gains in access to education and gender equity in a very short period of time. The challenge remains how to improve quality in the wake of the access and equity success story. Although achievements in quality and efficiency are modest, GABLE

resources undoubtedly mitigated what was probably an inevitable decline in quality and efficiency resulting from rapid increases in access and equity.

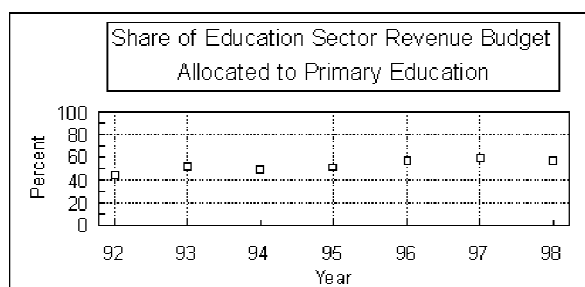
IR4.4: Social Mobilization Campaign undertaken nationwide - IR4.4 is an understatement: the real objective is to increase demand for girls' education. When the GOM declared FPE in 1994, it removed the main economic barrier to girls' enrollment. The SMC removed cultural and social barriers to their enrollment and persistence.

One successful strategy for bringing social and cultural barriers out into the open is the weekly radio program "The Future of Girls". Broadcast in Chichewa, it addresses a wide range of issues surrounding girls' education -- from family problems to peer pressure to cultural practices. The program receives more than 1000 letters per week from listeners.

Until now, the mission has measured progress through geographic coverage and numbers of villagers trained. Impact data for the seven phase I districts is now available which reveals increases in enrollment over pre-campaign levels ranging from 2% to 30% for boys and 9% to 38% for girls, depending on the district (above the increases resulting from

launching FPE in 1994). In future years, enrollment data for more districts, as well as pre- and post-campaign data on persistence, should be available. By any standards, progress on this IR has exceeded expectations to such an extent that it can serve as a model for social mobilization worldwide.

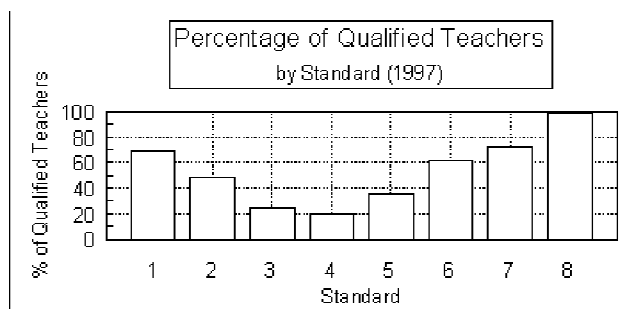
IR4.1: Budget allocations for education sector and primary education increased - The principal indicators of success for this IR are the portion of the overall budget allocated to the education sector and the percentage of that which is allocated to the primary subsector. Targets were 23% and 69% respectively. Performance toward targets for these indicators fell short of expectations, perhaps due to vague policy conditionality, which allowed the government to substitute improvements in the teacher/pupil ratio for budget targets.



For example, though overall budget allocations to the sector came close to the target, primary recurrent expenditures as a share of total recurrent expenditures for the sector rose only modestly from 53% in 1992/93 (under GABLE I) to 58% in 1997/98, falling significantly short of the target. Hence, despite the influx of budgetary resources to the sector, investment neither kept pace with burgeoning enrollments

nor was it sufficiently targeted to the primary level. The result was a per pupil expenditure of only \$20 per year for primary school--one of the lowest in the region. This had an overwhelming effect on the ability of the GOM and the GABLE program to significantly improve educational quality and efficiency.

IRs 4.2 & 4.3: Availability of resources (classrooms, teachers, materials) increased and classroom teaching improved - IRs 4.2 and 4.3, both of which reflect educational quality, are monitored according to the number of classrooms constructed, exercise books per pupil, teacher/pupil ratios and percentage of qualified teachers. GABLE is no longer constructing schools. The number of exercise books per pupil surpassed the target last year of 4 per pupil only to drop again this year to 3 per pupil. Data on the actual distribution and use of exercise books in the classroom suggest that on average, each student receives only 2 workbooks. This varies widely by standard. Regarding human resources, the teacher/pupil ratio has improved from 1:77 the year FPE was introduced to 1:61 in 1997. Again this varies by standard. Reducing the high ratios in the first five grades remains a real challenge.



As a result of the introduction of massive numbers of lay teachers, the percentage of teachers who are graduates of teacher training colleges has declined steadily from of 87% before FPE to 60%. To compound the problem, the most qualified teachers are assigned to the higher grades. The MOE's attempt to address this only resulted in good teachers being swept from standards 3-5 to

standard 1-2, rather than being reallocated from standards 6-8 where they are concentrated. Not surprisingly, repetition rates remain highest in standards 1-5 and begin to drop off only in standard 6. The challenge will be to address this critical imbalance.

Improvement in the proportion of teachers who are graduates of teachers' training colleges is unlikely given that the MOE's emphasis now is on providing a short course to the lay teachers they have hired. SO4 proposes to substitute new indicators of quality such as the distribution of qualified teachers among the grades and the percentage of lay teachers who successfully complete short-term training. This data will be supplemented with qualitative information on the quality of classroom teaching and student achievement.

Pilot research in standard 2 classrooms in the Mangochi region of Malawi reveal that achievement gains of less than 10% over the course of an entire academic year were not uncommon. Indeed, in some classrooms, average change from the pre-test to the post-test at the end of the year was as little as 2 out of 72 items, or 3% improvement.

SECTION II: EXPECTED PROGRESS THROUGH FY 2000 AND MANAGEMENT ACTIONS

Several important factors have constrained improvements in education in Malawi, particularly quality and efficiency. In addition to the obvious impact of free primary education in a resource-scarce environment, the absence of a clear policy investment framework (PIF) which establishes priority programs in the context of a realistic budget hampers education reform. The lack of a functional education management information system (EMIS) until this year has

made it difficult to measure the true impact of policy reform in any area but resource allocation. The institutional capacity of the Ministry of Education to meet multiple policy conditionalities is severely constrained. Also, the Ministries of Education and Finance have not effectively collaborated on GABLE, focussing too much on the legalities of policy conditionality and not enough on the impact of policy at the classroom level. Finally, not all problems in the education sector can be solved by policy reform alone and certainly not in a five-year time frame.

USAID/Malawi believes that the original objective of the GABLE project remains valid. Though gains in access have been significant, the problem is not yet solved. The MOE has a deficit of more than 15,000 classrooms at the primary level. Hence, continued incremental assistance in the area of expanding real access to a minimally acceptable classroom environment is needed. While girls' access has improved dramatically, SO4 must continue to encourage persistence through standard 8 and ensure that the classroom experience for girls improves. Realistically, the education sector cannot capture a much larger share of the total budget without disrupting necessary activities in other sectors. Future gains in the area of resource allocation will have to come from better targeting of those resources within the sector and efficiency gains (for example, reduced repetition). Nevertheless, the major emphasis for the future should be to address problems of quality and efficiency which threaten to erode the quantitative gains in access.

To address these emerging challenges, SO4, in concert with other donors, first convened a donor workshop in November, 1997 to assess the policy environment, review programs and recommend ways to reinvigorate donor coordination and redirect it toward sector programming. Second, SO4 held a retreat with counterparts, donors, and partners to build consensus regarding the evaluation findings and recommendations. The group recommended emphasizing the following areas in the GABLE redesign: 1) building capacity in the MOE Planning Department and districts; 2) completing the EMIS; 3) constructing more classrooms; 4) improving the quality of teaching and learning in the classroom; 5) redirecting the SMC toward increasing demand for quality and stimulating community participation; and 6) improving intra-sectoral resource allocation. The mix of NPA and PA, together with how NPA resources ought to be targeted, will be reexamined in light of the problems to be addressed and the extent to which they are amenable to policy vs. technical approaches.

Third, in February 1998, the major donors held a planning session with the MOE to initiate a revision of the PIF. Meanwhile, the SO team intends to draw on AID/W expertise and global field support projects to help the MOE revise the PIF. Until the MOE revises the PIF and demonstrates a clear political mandate to implement it, the mission will not attempt to design a new 10-year sector program. Rather, SO4 proposes to extend the current program for 2-3 years and refine it in accordance with the findings of the evaluation and the SO4 retreat.

SECTION III: PERFORMANCE DATA TABLES

STRATEGIC OBJECTIVE 4: INCREASED ACCESS TO AND QUALITY AND EFFICIENCY OF BASIC EDUCATION, ESPECIALLY FOR GIRLS APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
STRATEGIC OBJECTIVE: Increased access to and quality and efficiency of basic education, especially for girls			
INDICATOR: Net enrolment rate in primary school			
UNIT OF MEASURE: Percentage (a) overall (b) girls <hr/> SOURCE: MOE education statistics <hr/> INDICATOR DESCRIPTION: (a) Number of children aged 6-13 enrolled in primary school as a percentage of total population aged 6-13. (b) Number of girls aged 6-13 enrolled in primary school as a percentage of total population of girls aged 6-13. <hr/> COMMENTS: New baseline is 1995. No accurate data until next year after 1998 census.	YEAR	PLANNED	ACTUAL
	1992 (B)		(a) 55.9 (b) 57.4
	1993		(a) 58.2 (b) 59.7
	1994		(a) 70.3 (b) 71.8
	1995		(a) 83 (b) 83
	1996 (T)	(a) N/A (b) N/A	(a) NA (b) NA
	1997	(a) N/A (b) N/A	(a) NA (b) NA
	1998	TBD	
	1999	TBD	
	2000	TBD	

STRATEGIC OBJECTIVE 4: INCREASED ACCESS TO AND QUALITY AND EFFICIENCY OF BASIC EDUCATION, ESPECIALLY FOR GIRLS APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
STRATEGIC OBJECTIVE: Increased access to and quality and efficiency of basic education, especially for girls			
INDICATOR: Drop out rates by sex			
UNIT OF MEASURE: Percentage a) girls b) boys SOURCE: MOE education statistics INDICATOR DESCRIPTION: COMMENTS: See below. From 1997 on, these will be tracked by standard.	YEAR	PLANNED	ACTUAL
	1995(B)		a) 17.5 b) 14.2
	1996	a) b)	a) 23.8 b) 23.4
	1997	a) b)	a) See b) below

DROPOUT RATE BY SEX BY STANDARD

	1994/1995 to 1995/1996		1995/1996 to 1996/1997	
	Girls	Boys	Girls	Boys
STD 1	31.8	29.9	34.1	34.1
STD 2	13.5	12.7	23.2	23.7
STD 3	19.5	17.3	25.3	25.9
STD 4	15.6	14.3	21.8	23.4
STD 5	16.1	14.7	19.2	22.9
STD 6	14.5	10.5	23.0	21.5
STD 7	11.8	-	20.4	12.4

STRATEGIC OBJECTIVE 4:		INCREASED ACCESS TO AND QUALITY AND EFFICIENCY OF BASIC EDUCATION, ESPECIALLY FOR GIRLS	
APPROVED: 15/03/95		COUNTRY/ORGANIZATION: USAID/Malawi	
STRATEGIC OBJECTIVE:		Increased access to and quality and efficiency of basic education, especially for girls	
INDICATOR: Repetition rate			
UNIT OF MEASURE: Percentage a) overall b) girls SOURCE: MOE education statistics INDICATOR DESCRIPTION: (a) Number of primary pupils repeating a standard in year t as a proportion of that standard's enrolment in year t-1 (b) Number of primary pupils (girls) repeating a standard in year t as a proportion of that standard's (girls') enrolment in year t-1 COMMENTS: From now on we are going to track by standard.	YEAR	PLANNED	ACTUAL
	1993		a) 19.8 b) 20.3
	1994		a) 17.5 b) 17.5
	1995		a) 17.5 b) 17.5
	1996	a) 15 b) 15	a) NA b) 15.5
	1997	a) 15 b) 15	a) 14.1 b) 14.6

REPETITION RATE BY SEX BY STANDARD

	1995/1996		1996/1997	
	Girls	Boys	Girls	Boys
STD 1	19.0	18.5	16.1	15.6
STD 2	16.2	15.7	15.2	14.3
STD 3	14.8	14.7	14.9	13.9
STD 4	11.3	11.0	12.7	11.8
STD 5	10.2	9.5	12.1	10.7
STD 6	8.4	7.4	11.2	9.8
STD 7	7.8	7.0	10.9	8.7
STD 8	19.5	20.7	17.9	28.1

STRATEGIC OBJECTIVE 4: INCREASED ACCESS TO AND QUALITY AND EFFICIENCY OF BASIC EDUCATION, ESPECIALLY FOR GIRLS APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
STRATEGIC OBJECTIVE: Increased access to and quality and efficiency of primary education, especially for girls			
INDICATOR: Girls as a percentage of total enrolment in standard 8			
UNIT OF MEASURE: Percentage SOURCE: MOE education statistics INDICATOR DESCRIPTION: Number of girls in standard 8 divided by the total number of pupils in standard 8 COMMENTS: This will be replaced by primary school completion rate if possible.	YEAR	PLANNED	ACTUAL
	1992(B)		38.4
	1993		34.9
	1994		37.9
	1995		38.5
	1996	40	NA
	1997	40	39.5
	1998	40.5	
	1999(T)	41	
	2000	41	

STRATEGIC OBJECTIVE 4: INCREASED ACCESS TO AND QUALITY AND EFFICIENCY OF BASIC EDUCATION, ESPECIALLY FOR GIRLS APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULT 4.1: Budget allocations for education sector and primary education increased			
INDICATOR: Education share of discretionary expenditures total			
UNIT OF MEASURE: Percentage SOURCE: GOM budget documents INDICATOR DESCRIPTION: Total education share of discretionary total expenditures net of interest charges. COMMENTS:	YEAR	PLANNED	ACTUAL
	1992(B)		12.2
	1993		14.6
	1994		10.5
	1995	21	15.6
	1996	21.3	22.0
	1997(T)	22.3	25.2
	1998	22.3	20.8
	1999	22.3	
	2000	22.3	

STRATEGIC OBJECTIVE 4: INCREASED ACCESS TO AND QUALITY AND EFFICIENCY OF BASIC EDUCATION, ESPECIALLY FOR GIRLS APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULT 4.1: Budget allocations for the education sector and primary education increased			
INDICATOR: Share of education sector revenue budget allocated to primary education			
UNIT OF MEASURE: Percentage SOURCE: GOM budget documents INDICATOR DESCRIPTION: Education revenue budget devoted to primary education as a percentage of total education revenue budget devoted to education COMMENTS: Data are based on GOM 1995/96 revised budget estimates. Figures for 1992-95 are revised. Figures for 1997-98 are projections. Will be adjusted once actual expenditure rates are available.	YEAR	PLANNED	ACTUAL
	1992(B)		44.7
	1993		52.6
	1994		49.7
	1995	51.5	51.3
	1996	69	57.7
	1997	69	59.9
	1998	69	57.7
	1999	69	
	2000	69	

STRATEGIC OBJECTIVE 4: INCREASED ACCESS TO AND QUALITY AND EFFICIENCY OF BASIC EDUCATION, ESPECIALLY FOR GIRLS APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULT 4.2: Availability of resources (e.g. classrooms, teachers, learning materials) increased			
INDICATOR: Percentage of qualified/trained teachers			
UNIT OF MEASURE: Percentage SOURCE: MOE education statistics INDICATOR DESCRIPTION: Teachers who have successfully graduated from teacher training college. COMMENTS: Will be tracked by standard in the future.	YEAR	PLANNED	ACTUAL
	1989(B)		73.7
	1991		NA
	1992		86
	1993		87
	1994		84
	1995		58
	1996	60.0	60.6
	1997	60.0	60.6

STRATEGIC OBJECTIVE 4: INCREASED ACCESS TO AND QUALITY AND EFFICIENCY OF BASIC EDUCATION, ESPECIALLY FOR GIRLS APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULT 4.2: Availability of resources (e.g. classrooms, teachers, learning materials) increased			
INDICATOR: Number of exercise books per pupil			
UNIT OF MEASURE: Ratio SOURCE: MOE/Supplies Unit reports INDICATOR DESCRIPTION: COMMENTS: *While there are three exercise books available for each pupil, only two books per pupil have actually been distributed. Only exercise books are being tracked because the production and distribution of textbooks has never been an issue --these were funded by the World Bank until 1997. With the end of World Bank support for textbooks, USAID will in the future track both the number of textbooks and the number of exercise books per pupil.	YEAR	PLANNED	ACTUAL
	1994(B)		0
	1995	0	1
	1996(T)	4	5
	1997	4	3/2*
	1998	4	
	1999	4	
	2000	4	

STRATEGIC OBJECTIVE 4: INCREASED ACCESS TO AND QUALITY AND EFFICIENCY OF BASIC EDUCATION, ESPECIALLY FOR GIRLS APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULT 4.3: Classroom teaching improved			
INDICATOR: Primary pupil:teacher ratio			
UNIT OF MEASURE: Ratio SOURCE: MOE education statistics INDICATOR DESCRIPTION: Number of teachers compared to the number of primary school pupils enrolled during the prior school year COMMENTS: Standard deviation = 39.2 Range 3.5 - 575 From now on will track % of classrooms exceeding 1:61 ratio Baseline = 33%	YEAR	PLANNED	ACTUAL
	1992(B)		72
	1993		68
	1994		77
	1995		61
	1996	61	61
	1997	60	61

STRATEGIC OBJECTIVE 4: INCREASED ACCESS TO AND QUALITY AND EFFICIENCY OF BASIC EDUCATION, ESPECIALLY FOR GIRLS APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULT 4.3: Classroom teaching improved			
INDICATOR: Number of teachers who receive gender training			
UNIT OF MEASURE: Number trained per year SOURCE: Gender Appropriate Curriculum (GAC) Unit reports INDICATOR DESCRIPTION: COMMENTS: All 315 Primary Education Advisors and a number of District Education Advisors were trained in 1996 by the GAC Unit. Tutors in all the teacher training colleges were also trained. Furthermore, GAC Unit staff participated in training programs under the MOE's teacher development plan (MIITEP) in which the first cohort consisted of approximately 3,000 teachers. However, the reduced teacher training course under MIITEP allows very little time for gender sensitivity training, thus weakening the GAC Unit's input to the teacher training curriculum.	YEAR	PLANNED	ACTUAL
	1995(B)		0
	1996	3060	0
	1997	1000	3000
	1998	2000	
	1999	3000	
	2000(T)	3060	

STRATEGIC OBJECTIVE 4: INCREASED ACCESS TO AND QUALITY AND EFFICIENCY OF BASIC EDUCATION, ESPECIALLY FOR GIRLS APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULT 4.4: Social Mobilization Campaign (SMC) undertaken nationwide			
INDICATOR: Target districts covered by SMC			
UNIT OF MEASURE: Number (cumulative) SOURCE: SMC/MOE reports INDICATOR DESCRIPTION: Approximately 12 villages per district are visited by SMC implementors. COMMENTS: To be replaced with impact data.	YEAR	PLANNED	ACTUAL
	1995(B)	1	1
	1996	7	7
	1997	16	28

STRATEGIC OBJECTIVE 4: INCREASED ACCESS TO AND QUALITY AND EFFICIENCY OF BASIC EDUCATION, ESPECIALLY FOR GIRLS APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULT 4.4: Social Mobilization Campaign (SMC) undertaken nationwide			
INDICATOR: Enrollment increases in SMC districts			
UNIT OF MEASURE: Percentage SOURCE: SMC/MOE reports INDICATOR DESCRIPTION: Increases which took place in the 1997 academic year as compared with the enrollment data from the 1995/96 academic year. COMMENTS: Data were collected on site, in a random sampling of all primary schools in GABLE SMC's pilot and phase 1 districts (total of 7 districts). A minimum of 30% of all the government registered primary schools were visited during this exercise.	DISTRICT	BOYS	GIRLS
	Machinga	7.0%	15.0%
	Nsanje	2.0%	16.0%
	Chikwawa	6.0%	11.0%
	Dedza	30.6%	38.3%
	Salima	5.0%	12.0%
	Mangochi	3.0%	9.0%
	Mzimba Rural	9.0%	2.7%

STRATEGIC OBJECTIVE 5: INSTITUTIONAL BASE FOR DEMOCRATIC PARTICIPATION STRENGTHENED AND BROADENED

SECTION I: PERFORMANCE ANALYSIS

Relationship to Mission Performance Plan - SO5 fits squarely within the first goal of the MPP: “to promote the consolidation of democratic institutions and practices in Malawi.” In addition, SO5 programs support several subgoals within the plan, including promoting human rights, strengthening the parliamentary committee system and enhancing women's participation.

Results Framework Description - Following the 1994 elections, USAID decided to focus its efforts in the democracy and governance (D/G) field on building the capacity of democratic institutions and inculcating democratic values at the grassroots level. Broad consultations helped identify those institutions deemed essential to the consolidation of democracy which were also receptive to technical assistance. These included: 1) civil society organizations (CSOs); 2) the parliament; 3) the Electoral Commission; 4) the High Court; and 5) the National Economic Council. Hence, SO5 consists of five intermediate results (IRs) which focus on strengthening these institutions.

Indicators of progress for the SO were developed immediately after the election, when the mission could only speculate about the eventual nature of Malawian political institutions and the pace of reform. Experience with political development over the last three years has prompted a reexamination of the assumptions underlying the SO, the indicators and targets. This process, begun in September 1997, led to a proposal for a modified SO and new indicators. However, given the emergence of new institutions such as the Anti-Corruption Bureau and the Human Rights Commission, further modification is likely.

Performance Rating and Overview - According to current indicators, and to the extent it could be measured in the absence of a public opinion survey¹, SO5's performance during the rating period fell somewhat short of mission expectations. The indicator related to the submission of legislation to parliament by entities other than the executive has not proved valid in the Malawian context. While the constitution does permit it, in practice all bills debated by parliament originate in the executive branch. Though the executive dominates this process, the cabinet committee does have a fairly good record of consulting with line ministries and some NGOs when drafting legislation which affects them. Strengthening these consultations may be a more realistic objective in the short term.

Contracting for the Public Opinion Survey has been pending since 2/97.

The lack of a public opinion survey during this reporting period renders SO5 unable to gauge the percentage of the population having access to meetings with its Member of Parliament (MP). Since 1995, respondents from focus groups conducted by the National Democratic Institute (NDI) complain of infrequent contact with their MPs and perceive them to be unresponsive to constituents' concerns. In response, NDI has trained 150 of the 177 MPs in outreach techniques. The impact of this training is not yet discernable.

Cross cutting issues - Gender is the most significant cross-cutting issue in SO5.

Participation of Malawian women in democracy has been historically low. During the initial stages of democratic transition in 1994, focus group research revealed a consensus among men and women that women should have the right to vote and participate in the political process. Yet, the same respondents recognized that women had limited access to political information. Three years later, women still rarely participate in village meetings and lack equal access to radio, the primary source of information. Focus group reports consistently find that women and men view economic empowerment as the vehicle to greater equality and personal freedom for women. Accordingly, SO5 places heavy emphasis on problems of gender inequity and has targeted women in several of its programs which: provide legal advice to women, work with the Women's Caucus to overcome legal barriers to women's equality, finance NGOs to carry out women's empowerment activities such as micro credit, extend civic education to women and train women candidates.

Donor Coordination - The challenges in the D/G sector, including reducing gender inequality, increasing the capacity of democratic institutions and strengthening citizen participation in politics are formidable and ever-changing. These challenges require a concerted effort on the part of multiple donors to engage in policy dialogue to encourage the GOM to accelerate the pace of political reform. It is largely due to SO5's active promotion of donor coordination that USAID and its partners have been able to overcome tremendous obstacles and achieve significant results in this sector.

IR5.1: Increased participation of CSOs in the economic and political development

process Given that quantitative information on indicators for this IR is sparse, a qualitative discussion of progress follows. The number of NGOs in Malawi has grown exponentially from only 50 under the one-party regime to more than 250. The GOM has greeted this development with ambivalence. The newly-elected government is acutely aware of the role NGOs played in overthrowing the previous regime and, now that the tables have turned, is wary of their activities. This is reflected in the cabinet committee's two-year delay in sending the NGO enabling legislation to parliament.

Most organizations in the D/G arena have limited institutional capacity to write grants, monitor projects and account for funds, yet a few CSOs have begun to play a meaningful role in political and economic development. For example, this year parliamentary committees consulted five times with a variety of CSOs regarding legislation of interest to them. The Consumer's Association of Malawi lobbied successfully against bread producers' monopolistic pricing practices and is now lobbying against the sugar distribution monopoly. A group of

NGOs formed a task force to lobby for the long-overdue local government elections. Members of the NGO Gender Task Force worked with government to prepare a national platform for action regarding women's rights which was launched by President Muluzi on International Women's Day. The Foundation for International Community Assistance (FINCA) supported women's empowerment by providing loans to 6000 female micro-entrepreneurs. Under SO1, twelve tobacco producer's associations banded together to form the National Association of Smallholder Farmers of Malawi, with a membership of more than 25,000 people, 35% of them women. NGOs also increasingly involve women farmers in community-based natural resource management. In spite of these successes, information on the activities and potential role of CSOs outside the traditional social service fields is slow to reach Malawian citizens, especially in the rural areas.

IR5.2: Parliament's capacity to function as an independent and representative body strengthened - The performance of parliament, housed in a crumbling building in Zomba, far from the centers of government and business, has been mixed. It emerged from last year's opposition boycott to meet three times in 1997. Legislation is debated and passed, but important bills confidently predicted to pass in a particular session are often held over to the next, while seemingly less crucial legislation, such as the redesign of the flag, is debated. As a result, there is a growing backlog of legislation, much of it critical to the consolidation of democratic processes and institutions in Malawi.

On the whole, the rules of parliament are observed and it is perceived by many to be an open forum for lively policy debate. The extent to which this debate is substantive and well informed is limited by the type of legislation submitted by the cabinet and lack of parliamentary staffers to provide MPs with information. Until recently, a lack of travel funds slowed parliamentarians' travel to their districts to a trickle. This was not lost on their constituents.

Though as many as 15-17 parliamentary committees exist in theory, only three, Public Accounts, Budget and Finance, and Public Appointments, currently meet with any regularity. They do not use the constitutional provision allowing them to introduce or debate legislation, but they have begun to consult with civil society and provide oversight of the budget process.

In general, parliament has responded well to technical assistance provided under SO5 and appreciates the exposure to new ideas afforded them through technical assistance, training and invitational travel. Further adoption of new approaches and technology is constrained by the legislature's ill-defined role and the budgetary, logistical and infrastructure limitations it faces.

IR5.3: Capacity of electoral commission to conduct free and fair elections strengthened

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During the reporting period, the Electoral Commission fulfilled its role in reviewing complaints and all by-elections were deemed free and fair. Nevertheless, the capacity of the Commission to carry out major presidential and parliamentary elections has not improved since 1994 for several reasons. First, commissioners are drawn from around the country and

serve part-time, on a voluntary basis. In recognition of the difficulty in getting them all to Blantyre to meet regularly, the executive branch was expected to draft and submit legislation establishing a permanent secretariat. This legislation has been pending for nearly two years while the commission offices lie vacant except for clerical staff. The success of much of the technical assistance from the International Foundation for Electoral Systems (IFES), in place since 1996, was contingent upon a permanent staff with which to work. The SO5 team questioned the utility of providing long term technical assistance to increase the capacity of a staff which does not yet exist and a commission whose role is ambiguous in the absence of enabling legislation. In response, SO5 is shifting its emphasis from building capacity in advance of elections to a “learning by doing” approach which will provide direct assistance for the 1999 elections. That this approach is more appropriate was validated by focus group research conducted in late 1997, which indicates waning enthusiasm toward voting among citizens. Clearly, more attention to civic and voter education is needed if the 1999 elections are to be participatory.

IR5.4: Rule of law strengthened - Activities under this IR concentrate on two aspects of the rule of law: the promotion of awareness among Malawians of their basic human and political rights and improvement in the speed and equity of the administration of justice. Progress in the area of human rights was to be measured by the number of radio announcements and the number of cases handled by our principal human rights grantee, CARER. Focus groups surveys over the last four years suggest that citizens have very little awareness of their human rights or the role of civil society in a democracy. However, a 1997 report revealed that those who are aware of human rights understand them to be personal liberty, freedom of speech, and freedom of movement and they express great interest in learning more about these rights. CARER responded by increasing the number and frequency of radio announcements. At the same time, in 1997 CARER experienced a decrease in the number of people seeking advice. This apparent contradiction was due to the fact that, in 1996 when the National Compensation Tribunal and the Office of the Ombudsman were created, many people sought advice from CARER on how to file a case. Now that these institutions are fully operational, complaints go directly to them. Targets for CARER should be revised accordingly.

In the area of administration of justice, indicators of progress include the number of cases disposed of by the High Court and the number of lower court cases reviewed for fairness and consistency by the High Court. The data for these indicators suggest improvement; yet the legal sector remains fraught with problems. Court dockets overflow with criminal and civil cases, while prisoners, many accused or convicted of petty offenses, languish in overcrowded conditions. Poorly trained judges and magistrates, inadequate funding and a weak administrative system hamper overall performance.

Nevertheless, the judiciary has shown signs of independence. In recent months it ruled against vested interests regarding the constitutionality of government practices, and in so doing emerged, albeit tentatively, as a force for accountability. The government has renewed momentum for comprehensive judicial reform and USAID has been instrumental in reviving policy dialogue with the High Court. A round table designed to produce a time-bound action

plan for judicial reform which donors could support, is scheduled to take place in Spring, 1998. If successful, the reforms will redefine administration of justice from the community to the court level so that it is fair, efficient and affordable.

IR5.5: Greater transparency and participation in formulating and implementing GOM policies - Experience to date with the Harvard Institute for International Development (HIID) grant, which is the principle vehicle for implementing activities under this IR, has been disappointing. Despite HIID's efforts, a combination of limited buy-in to the activity by the GOM, lack of shared vision regarding the project objectives among the three GOM institutions involved in policy making, and complex implementation and reporting arrangements constrained progress toward the transparency and participation targets.

Nevertheless, HIID carried out economic analyses which fed into the GOM's reform of wage, tax and exchange rate policies. In addition, HIID advised the GOM on a strategy for debt reduction, provided input to the Minister of Finance's budget speech and helped the GOM prepare for the annual Consultative Group meeting in Paris.

In view of the GOM's stronger interest in economic policy analysis, SO5 relocated the project from the National Economic Council to the Reserve Bank. Subsequently, HIID modified the project objectives and restructured its technical assistance to reflect the new GOM priorities. As a result of these substantive changes, this activity now provides policy support to all mission SOs. As such, it is being removed from SO5 and converted into a target of opportunity.

SECTION II: EXPECTED PROGRESS THROUGH FY2000 AND MANAGEMENT ACTIONS

Spotty performance, coupled with the slow pace of change in the D/G sector in Malawi make it unlikely that the mission will be able to achieve SO5, as it is now defined and measured, by the year 2000. This realization prompted a series of retreats and consultations with partners beginning in September 1997 to validate the assumptions upon which the current framework is based, review the strategy and set realistic targets for the next two years.

During the retreats, several key assumptions underlying the strategy came under scrutiny. First, the current strategy assumed that the newly-elected government would accord political reform the same priority in future years as it did in the period immediately surrounding the elections. This has not proved to be the case. Once in power, the government turned its attention to consolidating that power and addressing the myriad of economic and social problems Malawi faces. Political reform took a back seat to more pressing priorities.

Second, the strategy assumed that a supply-side institutional development approach, which worked from within the government, would be sufficient to foster the desired changes. As the post-election euphoria subsided, the magnitude of opposition to reform became apparent as did the lack of political will to overcome it. This is reflected in the delays in passing

enabling legislation for NGOs, the Electoral Commission, and the Human Rights Commission as well as legislation to liberalize the media.

The third assumption was that the GOM would embrace a system of checks and balances among the several branches of government and that the parliament and judiciary would operate relatively independently, much as their U.S. counterparts do. Though the judiciary has shown signs of independent decision-making, these decisions are not always acted upon. Parliament continues to take its cues regarding legislation from the executive branch, though its role in debating legislation and overseeing the budget is increasing.

Finally, when D/G was elevated from a target of opportunity to a strategic objective, it was assumed that resource levels and staffing would be sufficient to implement the range of activities necessary to have the systemic impact expected of a full strategic objective. Driven by earmarking, resource levels, already disproportionately low, have been reduced from the requested level of 3.5 million to 2.5 million per year. Though some economic support funds (ESF) were obtained last year, it is not likely that the amount of ESF requested this year to prepare for the 1999 elections will be forthcoming. Unless resource levels increase, the mission questions whether it can sustain a full D/G strategic objective.

At the same time resource levels are declining, focus group research is revealing disturbing trends. First, people equate democratic development with economic empowerment. Since they perceive that the economic situation has not improved significantly since 1994, and law and order is breaking down, they are skeptical of the democratic process. Second, Malawians use radio as their primary source of information and lack of access to radio, especially among women, has impeded their understanding of democratic principles and institutions. Third, there is little understanding of civil society's role in democracy. CSOs are identified with economic development and those working in the area of human rights are perceived to have an urban bias. Last, women continue to have little access to the political process. To them, empowerment means economic empowerment.

These trends have implications for system support. Citizens' lack of understanding of democratic principles and the role of civil society in aggregating their interests, coupled with their perception that elected officials are unresponsive to constituents' economic and social concerns could undermine support for democracy. In less than sixteen months, Malawi will hold the second multiparty presidential and parliamentary elections in its history. These elections will be a bellwether for Malawian democracy. Much remains to be done if they are to lead to a second peaceful transition of power and the consolidation of democracy here.

The mission proposes the following measures to improve performance. First, priority will be given to election-related activities during FY98 and early FY99 and work with parliament and civil society will complement the electoral process. The two main themes will be civic education and enhancing the political role of women. By removing IR 5.5 from the SO and converting it to a target of opportunity in the area of economic policy analysis, management time for the remaining activities will be increased.

After the elections, SO5 intends to focus less on building institutions and more on policy dialogue regarding political reform, administration of justice, and promotion of human and political rights at the grassroots level, especially among women. The execution of the long-overdue public opinion survey will guide this process and set the stage for the next CSP.

SECTION III: PERFORMANCE DATA TABLES

STRATEGIC OBJECTIVE 5: INSTITUTIONAL BASE FOR DEMOCRATIC PARTICIPATION STRENGTHENED AND BROADENED APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
STRATEGIC OBJECTIVE: Institutional base for democratic participation strengthened and broadened			
INDICATOR: Occasions on which Parliamentary committees consulted with non-governmental and private sector associations			
UNIT OF MEASURE: Number per annum SOURCE: Parliament through the National Democratic Institute (NDI) INDICATOR DESCRIPTION: Number of times Parliamentary committees met with NGOs or private sector associations to discuss any legislative matter. COMMENTS: This will be tied to the number of bills presented to Parliament in a calendar year. This indicator was changed from the number of times committees "considered submissions" to "consulted with" NGOs and private sector associations in recognition of the fact that legislation rarely comes from outside the executive branch. As revised, this indicator more appropriately measures parliament's commitment to civil society and civil society's increasing role in democratic institutions.	YEAR	PLANNED	ACTUAL
	1995(B)		0
	1996	2	1
	1997	2	5
	1998	4	
	1999	6	
	2000(T)	8	

STRATEGIC OBJECTIVE 5: INSTITUTIONAL BASE FOR DEMOCRATIC PARTICIPATION STRENGTHENED AND BROADENED APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
STRATEGIC OBJECTIVE: Institutional base for democratic participation strengthened and broadened			
INDICATOR: Laws discriminating against women which have been amended or overturned by Parliament			
UNIT OF MEASURE: Percentage (cumulative) SOURCE: NDI, Law Commissioner INDICATOR DESCRIPTION: A total of 60 laws discriminating against women have been identified. The percentage will therefore be based on that number. COMMENTS: While 5 new laws were drafted during the 1996 reporting period, only 3 were submitted to Parliament during the 1997 period. Two were passed and the third is scheduled to be considered for passage during the March 1998 session. Based on current results, targets for the future will be re-evaluated during the coming year	YEAR	PLANNED	ACTUAL
	1995(B)		0%
	1996	8.3%	0%
	1997	25%	3.3%
	1998	50%	
	1999	75%	
	2000(T)	100%	

STRATEGIC OBJECTIVE 5: INSTITUTIONAL BASE FOR DEMOCRATIC PARTICIPATION STRENGTHENED AND BROADENED APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
STRATEGIC OBJECTIVE: Institutional base for democratic participation strengthened and broadened			
INDICATOR: People aware of a public meeting organized by their MP within walking distance in the last six months			
UNIT OF MEASURE: Percentage SOURCE: USAID-funded baseline and follow up survey. INDICATOR DESCRIPTION: Measures contact between MPs and their constituents. COMMENTS: The baseline will be established by a public opinion survey to be conducted in mid-1998; the impact will then be assessed in a follow-up survey in the year 2001.	YEAR	PLANNED	ACTUAL
	1997(B)		N/A
	1998	N/A	N/A
	1999	N/A	
	2000	N/A	
	2001(T)	TBD	

STRATEGIC OBJECTIVE 5: Institutional Base for Democratic Participation Strengthened and Broadened APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULT 5.1: Increased participation of civil society organizations in the economic and political development process			
INDICATOR: D/G advocacy activities undertaken by CSOs			
UNIT OF MEASURE: Number a) on women's issues b) on other issues c) by urban CSOs d) by rural CSOs SOURCE: NDI INDICATOR DESCRIPTION: D/G advocacy activities might cover a wide range of issues, from women's rights to anti-corruption legislation, i.e. everything from grassroots level through to the highest political authority. COMMENTS: This indicator will be dropped for FY 98. Targets are so low that results are inconsequential. Qualitative information is provided in the narrative.	YEAR	PLANNED	ACTUAL
	1995(B)		0
	1996	a) 1 b) 1 c) 2	a) 1 b) 2 c) 3
	1997	a) 3 b) 4 c) 6 d) 1	a) NONE b) c) d)
	1998	a) 5 b) 6 c) 9 d) 1	a) b)NONE c) d)
	1999	a) 5 b) 7 c) 10 d) 2	a) b) NONE c) d)
	2000(T)	a) 5 b) 8 c) 10 d) 3	a) b) NONE c) d)

STRATEGIC OBJECTIVE 5: INSTITUTIONAL BASE FOR DEMOCRATIC PARTICIPATION APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi STRENGTHENED AND BROADENED			
INTERMEDIATE RESULT 5.1: Increased participation of civil society organizations in the economic and political development process			
INDICATOR: People who say that they belong to a voluntary organization			
UNIT OF MEASURE: Number SOURCE: USAID-funded baseline and follow up survey INDICATOR DESCRIPTION: This aims to capture the growth and outreach of non-governmental and non-party associations in Malawian society. The meaning of the term "voluntary organization" will be carefully defined in the survey instrument. Data will relate to whether individuals believe they are members of such an association. COMMENTS: The baseline will be established by a public opinion survey to be conducted in late-1998; the impact will then be assessed in a follow-up survey in the year 2001.	YEAR	PLANNED	ACTUAL
	1997(B)	N/A	N/A
	1998		
	1999		
	2000		
	2001(T)	TBD	

STRATEGIC OBJECTIVE 5: INSTITUTIONAL BASE FOR DEMOCRATIC PARTICIPATION STRENGTHENED AND BROADENED APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULT 5.1: Increased Participation of Civil Society Organizations in the Economic and Political Development Process			
INDICATOR: CSOs which undertake policy analysis			
UNIT OF MEASURE: Number per annum SOURCE: World Learning, International INDICATOR DESCRIPTION: The policy analysis undertaken must be initiated by the CSO (not solicited by a donor) and result in a study or workshop. COMMENTS: The target number for 2000 has always been surpassed this year with at least 5 CSOs undertaking policy analysis in 1997. Targets are so low that results are inconsequential. Qualitative information is provided in the narrative.	YEAR	PLANNED	ACTUAL
	1997(B)	0	5
	1998	1	
	1999(T)	2	
	2000	2	

STRATEGIC OBJECTIVE 5: INSTITUTIONAL BASE FOR DEMOCRATIC PARTICIPATION STRENGTHENED AND BROADENED APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULT 5.2: Parliament's capacity to function as an independent and representative body strengthened			
INDICATOR: Representatives of civil society testify before committees			
UNIT OF MEASURE: Number a) Male b) Female SOURCE: NDI, Parliament INDICATOR DESCRIPTION: This brings together two key areas of USAID work in Malawi, namely Parliament and civil society. It focusses on i) open publicity and the effective functioning of Parliamentary committees and ii) the improved capacity of CSOs as demonstrated by conducting policy analysis and lobbying Parliament. COMMENTS: Committees met with representatives of civil society on at least 5 occasions.	YEAR	PLANNED	ACTUAL
	1996(B)	a) 1 b) 1	a) 0 b) 0
	1997	a) 2 b) 1	a) 5 b) 5
	1998	a) 2 b) 2	a) b)
	1999(T)	a) 3 b) 3	a) b)
	2000	a) 3 b) 3	a) b)

STRATEGIC OBJECTIVE 5: INSTITUTIONAL BASE FOR DEMOCRATIC PARTICIPATION STRENGTHENED AND BROADENED APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULT 5.2: Parliament's capacity to function as an independent and representative body strengthened			
INDICATOR: Occasions on which specified conditions are obtained during the passage of legislation			
UNIT OF MEASURE: Percentage per annum SOURCE: NDI / Parliament INDICATOR DESCRIPTION: Specified conditions include: a) 21 days' notice b) Committee or Caucus debates c) Amendments introduced and debated on the floor COMMENTS: During the 1997 calendar year, 33 bills were submitted to Parliament for consideration. While only 3 bills followed the 21 day rule, Parliament did adhere to its Standing Orders in waiving the 21 day rule. There was only one bill referred to and debated by committee - the Army Amendments Bill. The number of actual amendments introduced in 1997 was 15. This indicator is being re-evaluated in light of these current results.	YEAR	PLANNED	ACTUAL
	1995(B)		a) N/A b) N/A c) N/A
	1996	a) 100% b) TBD c) TBD	a) 100% b) 0 c) 0
	1997	a) 100% b) 30% c) 30%	a) 3% b)<1% c)N/A
	1998	a) b) c)	a) b) c)
	1999	a) b) c)	a) b) c)
	2000(T)	a) b) c)	a) b) c)

STRATEGIC OBJECTIVE 5: INSTITUTIONAL BASE FOR DEMOCRATIC PARTICIPATION STRENGTHENED AND BROADENED APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULT 5.3: Capacity of Electoral Commission to conduct free and fair elections strengthened			
INDICATOR: Written complaints received by the Electoral Commission which are fully investigated by the Electoral Commission			
UNIT OF MEASURE: Percentage per annum SOURCE: IFES / Electoral Commission INDICATOR DESCRIPTION: COMMENTS: Of the 15 by-elections held in 1997, approximately 48 complaints were received by the commission, ten of which went to the High Court. All 48 complaints were investigated and the 10 reviewed by the High Court affirmed the Electoral Commission's initial findings	YEAR	PLANNED	ACTUAL
	1997(B)		100%
	1998(T)	100%	
	1999	100%	
	2000	100%	

STRATEGIC OBJECTIVE 5: INSTITUTIONAL BASE FOR DEMOCRATIC PARTICIPATION STRENGTHENED AND BROADENED APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULT 5.3: Capacity of Electoral Commission to conduct free and fair elections strengthened			
INDICATOR: Elections calendar established and followed			
UNIT OF MEASURE: a) established - Yes / No b) followed - percentage per annum SOURCE: IFES / Electoral Commission INDICATOR DESCRIPTION: Once the elections calendar is established, this indicator will measure the number of scheduled actions that take place as a percentage of the total number of actions scheduled for that year. COMMENTS: An election calendar was produced by IFES and submitted to the Electoral Commission in February, 1998. Now that the calendar has been produced, targets for 1998-2000 are expected to be met	YEAR	PLANNED	ACTUAL
	1997(B)	a) Yes b) N/A	a) No b) N/A
	1998(T)	b) 100%	b)
	1999	b) 100%	b)
	2000	TBD	

STRATEGIC OBJECTIVE 5: INSTITUTIONAL BASE FOR DEMOCRATIC PARTICIPATION STRENGTHENED AND BROADENED APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULT 5.3: Capacity of Electoral Commission to conduct free and fair elections strengthened			
INDICATOR: Elections deemed free and fair by independent observers			
UNIT OF MEASURE: Percentage a) national b) local SOURCE: IFES / Electoral Commission INDICATOR DESCRIPTION: National elections will include by- and local elections. Independent observers would include: church organizations, bona fide NGOs and bona fide international observers COMMENTS: Of the 15 by-elections held in 1997, all were considered to be free and fair.	YEAR	PLANNED	ACTUAL
	1996(B)		a) 0 b) 80%
	1997	a) 0 b) 100%	a) NONE b) 100%
	1998	a) 0 b) 100%	
	1999(T)	a) 100% b) 100%	
	2000	a) 0 b) 100%	

STRATEGIC OBJECTIVE 5: INSTITUTIONAL BASE FOR DEMOCRATIC PARTICIPATION STRENGTHENED AND BROADENED APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULT 5.4: Rule of law strengthened			
INDICATOR: Cases brought to conclusion by the High Court			
UNIT OF MEASURE: Number per annum SOURCE: High Court INDICATOR DESCRIPTION: Measures the number of cases which reach final disposal. COMMENTS: Computer systems were installed in late 1997 which will allow better tracking of court cases and provide data for a more accurate baseline and targets through 2000.	YEAR	PLANNED	ACTUAL
	1997(B)		1,080
	1998	TBD	
	1999	TBD	
	2000(T)	TBD	

STRATEGIC OBJECTIVE 5: INSTITUTIONAL BASE FOR DEMOCRATIC PARTICIPATION STRENGTHENED AND BROADENED APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULT 5.4: Rule of law strengthened			
INDICATOR: First and second tier Magistrates Court decisions set down for review by the High Court			
UNIT OF MEASURE: Percentage SOURCE: High Court INDICATOR DESCRIPTION: The High Court has powers to review the propriety of any conviction and the sentences passed in all cases dealt with by subordinate courts. If the decisions reached are not satisfactory, the High Court sets the case down for review, which can mean either a full hearing of the issues (effectively a re-trial) or a change in the sentence passed. COMMENTS: In the past, these powers have not been exercised with much vigor. This indicator will measure improvements in the High Court's level of scrutiny of cases from the lower courts on legal and procedural points. Initially an increase in the number would be expected. Later, there should be an overall decrease as the need for review declines due to the increased professional standards of the magistrates. Computer systems were installed in late 1997 which will allow better tracking of court cases and provide data for a more accurate baseline and targets through 2000.	YEAR	PLANNED	ACTUAL
	1997(B)		524
	1998	TBD	
	1999	TBD	
	2000(T)	TBD	

STRATEGIC OBJECTIVE 5: INSTITUTIONAL BASE FOR DEMOCRATIC PARTICIPATION STRENGTHENED AND BROADENED APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULT 5.4 : Rule of law strengthened			
INDICATOR: Human rights messages broadcast per week on the radio			
UNIT OF MEASURE: a) Number of times per week b) Number of weeks per annum <hr/> SOURCE: CARER <hr/> INDICATOR DESCRIPTION: The messages are those broadcast by the Centre for Advice Research and Education on Rights (CARER) over the country's one national radio station, MBC. <hr/> COMMENTS: CARER is an NGO which gives free advice to citizens on how to solve legal and human rights problems which they may face. The human rights messages being tracked were designed by CARER and developed for broadcasting. The messages deal with issues of concern in Malawi, such as women's property rights and employment.	YEAR	PLANNED	ACTUAL
	1996(B)		a) 4 b) 7
	1997	a) 4 b) 14	a) 2 b) 46
	1998	a) 8 b) 21	
	1999	a) 8 b) 24	
	2000	a) 8 b) 26	

STRATEGIC OBJECTIVE 5: INSTITUTIONAL BASE FOR DEMOCRATIC PARTICIPATION STRENGTHENED AND BROADENED APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULT 5.4: Rule of law strengthened			
INDICATOR: Cases advised upon by the Centre for Advice, Research and Education on Rights (CARER)			
UNIT OF MEASURE: Number per annum SOURCE: CARER INDICATOR DESCRIPTION: Indicates the impact which CARER is having and the levels of information which citizens have about their rights. COMMENTS: The decrease in cases advised upon is due to the establishment of the National Compensation Tribunal and the Office of the Ombudsman. In 1996, approximately 50% of the cases advised upon were cases in which individuals sought advice on filing claims in these two fora. In 1997, individuals began to file their claims directly with Tribunal and Ombudsman. In light of the current results, targets for the future shall be re-evaluated.	YEAR	PLANNED	ACTUAL
	1996(B)		2,250
	1997	3,000	1,356
	1998	4,000	
	1999	5,000	
	2000(T)	6,000	

STRATEGIC OBJECTIVE 5: INSTITUTIONAL BASE FOR DEMOCRATIC PARTICIPATION STRENGTHENED AND BROADENED APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULT 5.4: Rule of law strengthened			
INDICATOR: Districts reached by paralegal clinics			
UNIT OF MEASURE: Percentage (cumulative) per annum SOURCE: CARER INDICATOR DESCRIPTION: Districts in which CARER's paralegals travel, holding human and legal rights education sessions and advice clinics. COMMENTS: This indicator was based on CARER's assumption that district paralegals would roam a region within Malawi thus reaching more districts. This approach was found to be ineffective and the indicator will be dropped in 1998 and replaced with one that measures quality of work rather than quantity	YEAR	PLANNED	ACTUAL
	1996(B)		12.5%
	1997	25%	12.5%
	1998	45%	
	1999	60%	
	2000(T)	75%	

STRATEGIC OBJECTIVE 5: INSTITUTIONAL BASE FOR DEMOCRATIC PARTICIPATION STRENGTHENED AND BROADENED APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULT 5.5: Process for formulating and implementing GOM economic policies and programs promotes greater transparency and participation			
INDICATOR: Op Ed articles on economic issues in three leading newspapers			
UNIT OF MEASURE: Number per month in three newspapers combined SOURCE: National Newspapers / HIID INDICATOR DESCRIPTION: Op Ed articles in Malawi's three leading newspapers: The Nation, The Daily Times and The Democrat. COMMENTS: Due to the lack of Malawian counterparts who were receptive to project, this activity did not take place. The indicator will be dropped in 1998. The Democrat ceased publication in 1997	YEAR	PLANNED	ACTUAL
	1997(B)	TBD	NONE
	1998	TBD	
	1999	TBD	
	2000(T)	TBD	

STRATEGIC OBJECTIVE 5: INSTITUTIONAL BASE FOR DEMOCRATIC PARTICIPATION STRENGTHENED AND BROADENED APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULT 5.5: Process for formulating and implementing GOM economic policies and programs promotes greater transparency and participation			
INDICATOR: Summary of annual departmental budgets disseminated			
UNIT OF MEASURE: Yes / No SOURCE: HIID INDICATOR DESCRIPTION: Dissemination would include publication in local newspapers as well as dissemination to Parliament and CSOs concerned with particular line ministries. COMMENTS: Budget is published but not accessible to the lay person. HIID provided input for Ministry of Finance's annual budget speech, consulted on GOM presentation for Consultative Group meeting, and briefed parliamentary committees on budget matters. Indicator will be dropped in 1998.	YEAR	PLANNED	ACTUAL
	1997(B)	Yes	Yes
	1998(T)	Yes	
	1999	Yes	
	2000	Yes	

STRATEGIC OBJECTIVE 5: INSTITUTIONAL BASE FOR DEMOCRATIC PARTICIPATION STRENGTHENED AND BROADENED APPROVED: 15/03/95 COUNTRY/ORGANIZATION: USAID/Malawi			
INTERMEDIATE RESULT 5.5: Process for formulating and implementing GOM economic policies and programs promotes greater transparency and participation			
INDICATOR: Public fora promoted by GOM to review GOM budgets, policies, programs, etc.			
UNIT OF MEASURE: Number SOURCE: HIID INDICATOR DESCRIPTION: The fora are expected to vary in nature and will be more closely defined in conjunction with the GOM. COMMENTS: Several fora took place but they were not directly attributable to the project. Indicator will be dropped in 1998.	YEAR	PLANNED	ACTUAL
	1997(B)	1	NONE
	1998	2	
	1999	4	
	2000(T)	6	

ENVIRONMENTAL COMPLIANCE

USAID/Malawi has no issues related to the implementation of requirements under 22 CFR 216 such as IEEs and EAs.

In FY 1998, the mission will amend the Support to AIDS and Family Health Project (STAFH), the Girls' Attainment in Basic Literacy and Education (GABLE) Project, the Agricultural Sector Assistance Program and the Natural Resources Management Program (NATURE). The design of a new health policy initiative will begin in 1998 and new democracy activities are anticipated for 1999.

IEEs will be prepared for each amendment and/or new design. No environmental issues are anticipated.

PART III:

STATUS OF MANAGEMENT CONTRACT

PART III : STATUS OF THE MANAGEMENT CONTRACT

With one minor exception, the mission proposes no changes to the management contract at this time because the development environment favors the current strategy objectives and USAID/Washington support has been adequate to maintain the program without need for re-negotiation. Nevertheless, the mission is struggling with budgetary and staffing constraints which could lead to the consideration of contract adjustments in the future.

As noted in the SO 5 presentation in Part II, democracy and governance activities have been shortchanged from the levels anticipated by the mission when it agreed at Washington's urging to make this a strategic objective instead of a target of opportunity. For each of the first three years of the CSP period, the D/G allowance has been on average \$1 million short of planned levels even when including ESF supplements in FY97 and 98. This approaches a 30% reduction in an SO already stretched to the limit. If funding continues to be as tight as past years, the mission will have to make significant adjustments to the D/G SO before the CSP period ends, i.e., next year.

The mission has so far been able to continue virtually all important program activities in spite of the increasing budgetary strains caused by earmarked funds which are not in tune with the CSP contract. In addition to a shortage of D/G funds, demands on EG funding exceed allocations. In the health area, new earmarks for infectious disease and polio and FY99 elimination of child survival funding will challenge SO3 to be creative in programming funds so all targets can be achieved. There is a point, however, where more earmarking of our operating year budget (OYB) would argue for revisions in the management contract.

Last year the mission noted that personnel ceilings imposed from Washington were constraining the mission's ability to manage the program and on the verge of exposing the mission to unacceptable levels of vulnerability. With the lifting of personnel ceilings for all categories except direct hire, the mission is in a better position to manage the Malawi program. There is one staffing area, however, that must be resolved urgently or the implementation of activities across all SOs will continue to suffer to the point that major program revisions will be necessary. That area is contracting. Despite attempts by the Regional Center for Southern Africa (RCSA), it has simply not been enough to keep up with mission requirements. Three SOs -- 2, 3 and 5 -- have had major activities delayed between six and nine months over the last year due to lack of contracting officer attention. The mission is prepared to obtain the services of a retired contracting officer for four to six months to deal with the backlog of actions, but it is imperative that a contracting officer (to be shared regionally with Zambia) be assigned to Malawi at the beginning of FY99 if the mission is to have any hope of keeping the program on track.

Although no significant change to the management contract is proposed at this time, the mission is making a minor modification to the contract with the addition of a target of opportunity in economic policy. The new TO will accommodate the shift of the intermediate results package dealing with transparency and GOM economic policies out of SO5 and will also house the new trade and investment (ATRIP) initiative in which the mission expects to participate beginning this FY.

USAID/MALAWI

RESULTS REVIEW

AND

RESOURCE REQUEST

FY 2000

PART 2 - RESOURCE REQUEST

March 2, 1998

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PART IV RESOURCE REQUEST

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Section 2: Prioritization of Objectives

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USAID FY 2000 BUDGET REQUEST BY PROGRAM/COUNTRY

26-Aug-98
03:24 PMCountry/Program:
Scenario: Base Level

S.O. # , Title		FY 2000															Future Cost (POST 2000)	Year of Final Oblig.
		Approp. Acct	Bilateral/Field Support	Est. SO Pipeline End of FY 99	Estimated Total	Basic Education	Agric.	Other Growth	Pop	Child Survival	Infectious Diseases	HIV/AIDS	Other Health	Environ	D/G	Est. Expend. FY 00		
SO 1: Increased agricultural income on a per capita basis																		
DA	Bilateral	9,695	10,000		10,000										10,100	51,000	50,000	FY2005
DA	Field Spt		0															
Total		9,695	10,000	0	10,000	0	0	0	0	0	0	0	0	0	10,100	51,000	50,000	
SO 2: Increased sustainable use, conservation & management of renewable natural resources																		
DA	Bilateral	5,245	8,900										8,900		10,000	44,000	30,000	FY2005
DA	Field Spt		0															
Total		5,245	8,900	0	0	0	0	0	0	0	0	0	8,900	0	10,000	44,000	30,000	
SO 3: Increased adoption of measures that reduce fertility and risk of HIV/AIDS transmission, including improved child health practices																		
	Bilateral	12,517	3,000				3,000								8,360	36,410	25,000	FY2005
	Field Spt		1,000				1,000										0	
Total		12,517	4,000	0	0	0	4,000	0	0	0	0	0	0	0	8,360	36,410	25,000	
SO 3: Increased adoption of measures that reduce fertility and risk of HIV/AIDS transmission, including improved child health practices																		
	Bilateral	4,786	1,650							1,650			0		4,634	41,790	25,000	FY2005
	Field Spt		1,450						500	950								
Total		4,786	3,100	0	0	0	0	0	500	2,600	0	0	0	0	4,634	41,790	25,000	
SO 4: Increased access to and quality and efficiency of basic education, especially for girls																		
	Bilateral	8,085	4,200	4,200											8,385	88,400	30,000	FY2005
	Field Spt		0															
Total		8,085	4,200	4,200	0	0	0	0	0	0	0	0	0	0	8,385	88,400	30,000	
SO 5: Institutional base for democratic participation strengthened and broaden																		
	Bilateral	2,600	2,250											2,250	2,905	19,000	30,000	FY2005
	Field Spt		0															
Total		2,600	2,250	0	0	0	0	0	0	0	0	0	0	2,250	2,905	19,000	30,000	
SO 5: Institutional base for democratic participation strengthened and broaden																		
	Bilateral	500	700											700	700	2,100	5,000	FY2005
	Field Spt		0															
Total		500	700	0	0	0	0	0	0	0	0	0	0	700	700	2,100	5,000	
Total Bilateral		43,428	30,700	4,200	10,000	0	3,000	0	0	1,650	0	8,900	2,950	45,084	282,700	195,000		
Total Field Support		0	2,450	0	0	0	1,000	0	500	950	0	0	0	0	0			
TOTAL PROGRAM		43,428	33,150	4,200	10,000	0	4,000	0	500	2,600	0	8,900	2,950	45,084	282,700			

FY 2000 Request Sector Totals -- DA		
Econ Growth	10,000	
[Of which Microenterpris	0	
HCD	7,300	
PHN	4,000	
Environment	8,900	
[Of which Biodiversity]	0	
Democracy	2,250	
Humanitarian	0	

FY 2000 Request Sector Totals -- ESF		
Econ Growth	0	
[Of which Microenterprise]	0	
HCD	0	
PHN	0	
Environment	0	
[Of which Biodiversity]	0	
Democracy	700	
Humanitarian	0	

FY 2001 Target Program Level	37,500
FY 2002 Target Program Level	37,500
FY 2003 Target Program Level	37,500

USAID FY 1999 Budget Request by Program/Country

26-Aug-98
03:24 PMCountry/Program:
Scenario: Base Level

S.O. # , Title		FY 1999														Future Cost (POST 2000)	Year of Final Oblig.
Approp. Acct	Bilateral/Field Support	Est. SO Pipeline End of FY 98	Estimated Total	Basic Education	Agric.	Other Growth	Pop	Child Survival	Infectious Diseases	HIV/AIDS	Other Health	Environ	D/G	Est. Expend. FY 99	Est. Total Cost life of SO		
SO 1: Increased agricultural income on a per capita basis																	
DA	Bilateral	14,045	10,011		10,011									14,361	90,000	50,000	FY2005
DA	Field Spt		0														
Total		14,045	10,011	0	10,011	0	0	0	0	0	0	0	0			50,000	
SO 2: Increased sustainable use, conservation & management of renewable natural resources																	
DA	Bilateral	8,045	8,900									8,900		11,855	44,000	30,000	FY2005
DA	Field Spt		0														
Total		8,045	8,900	0	0	0	0	0	0	0	0	8,900	0			30,000	
SO 3: Increased adoption of measures that reduce fertility and risk of HIV/AIDS transmission, including improved child health practices																	
DA	Bilateral	14,514	3,500				3,500							7,050	26,410	25,000	FY2005
DA	Field Spt		500				500									0	
Total		14,514	4,000	0	0	0	4,000	0	0	0	0	0	0			25,000	
SO 3: Increased adoption of measures that reduce fertility and risk of HIV/AIDS transmission, including improved child health practices																	
CSD	Bilateral	9,206	2,050						2,050			0		4,920		25,000	FY2005
CSD	Field Spt		1,050						500	550							
Total		9,206	3,100	0	0	0	0	0	500	2,600	0	0	0			25,000	
SO 4: Increased access to and quality and efficiency of basic education, especially for girls																	
CSD	Bilateral	7,935	4,200	4,200										4,050		30,000	FY2005
CSD	Field Spt		0														
Total		7,935	4,200	4,200	0	0	0	0	0	0	0	0	0			30,000	
SO 5: Institutional base for democratic participation strengthened and broaden																	
DA	Bilateral	4,238	2,250										2,250	4,038		30,000	FY2005
DA	Field Spt		0														
Total		4,238	2,250	0	0	0	0	0	0	0	0	0	2,250			30,000	
SO 5: Institutional base for democratic participation strengthened and broaden																	
ESF	Bilateral	300	700										700	500		5,000	FY2005
ESF	Field Spt		0														
Total		300	700	0	0	0	0	0	0	0	0	0	700			5,000	
Total Bilateral		58,283	31,611	4,200	10,011	0	3,500	0	0	2,050	0	8,900	2,950				
Total Field Support		0	1,550	0	0	0	500	0	500	550	0	0	0				
TOTAL PROGRAM		58,283	33,161	4,200	10,011	0	4,000	0	500	2,600	0	8,900	2,950			195,000	

FY 1999 Request Sector Totals -- DA		
Econ Growth	10,011	
[Of which Microenterpris		
HCD	7,300	
PHN	4,000	
Environment	8,900	
[Of which Biodiversity]		
Democracy	2,250	
Humanitarian	0	

FY 1999 Request Sector Totals -- ESF		
Econ Growth	0	
[Of which Microenterprise		
HCD	0	
PHN	0	
Environment	0	
[Of which Biodiversity]		
Democracy	700	
Humanitarian	0	

FY 2001 Target Program Level	37,500
FY 2002 Target Program Level	37,500
FY 2003 Target Program Level	37,500

USAID FY 1998 Budget Request by Program/Country

26-Aug-98
03:24 PMCountry/Program:
Scenario: Base Level

S.O. # , Title	FY 1998															Future Cost (POST 2000)	Year of Final Oblig.	
	Approp. Acct	Bilateral/Field Support	Est. SO Pipeline End of FY 97	Estimated Total	Basic Education	Agric.	Other Growth	Pop	Child Survival	Infectious Diseases	HIV/AIDS	Other Health	Environ	D/G	Est. Expend. FY 98			Est. Total Cost life of SO
SO 1: Increased agricultural income on a per capita basis																		
DA	Bilateral	16,645	9,000		9,000										11,210	89,000	50,000	FY2005
DA	Field Spt		0															
Total		16,645	9,000	0	9,000	0	0	0	0	0	0	0	0	0	11,210	89,000	50,000	
SO 2: Increased sustainable use, conservation & management of renewable natural resources																		
DA	Bilateral	9,445	9,325										9,325		10,650	44,000	30,000	FY2005
DA	Field Spt		75										75					
Total		9,445	9,400	0	0	0	0	0	0	0	0	0	9,400	0	10,650	44,000	30,000	
SO 3: Increased adoption of measures that reduce fertility and risk of HIV/AIDS transmission, including improved child health practices																		
DA	Bilateral	14,864	2,700				2,700								4,000	26,410	25,000	FY2005
DA	Field Spt		1,300				1,300										0	
Total		14,864	4,000	0	0	0	4,000	0	0	0	0	0	0	0	4,000	26,410	25,000	
SO 3: Increased adoption of measures that reduce fertility and risk of HIV/AIDS transmission, including improved child health practices																		
CSD	Bilateral	11,119	4,720					2,475		2,245			0		5,680	32,540	25,000	FY2005
CSD	Field Spt		1,380					225	500	355	300							
Total		11,119	6,100	0	0	0	0	2,700	500	2,600	300	0	0	0	5,680	32,540	25,000	
SO 4: Increased access to and quality and efficiency of basic education, especially for girls																		
CSD	Bilateral	17,598	3,200	3,200											12,863	53,400	30,000	FY2005
CSD	Field Spt		1,000	1,000														
Total		17,598	4,200	4,200	0	0	0	0	0	0	0	0	0	0	12,863	53,400	30,000	
SO 5: Institutional base for democratic participation strengthened and broaden																		
DA	Bilateral		3,400			900								2,500	5,489	32,261	30,000	FY2005
DA	Field Spt		0															
Total		0	3,400	0	0	900	0	0	0	0	0	0	0	2,500	5,489	32,261	30,000	
SO 5: Institutional base for democratic participation strengthened and broaden																		
ESF	Bilateral	500	200											200	400	2,100	5,000	FY2005
ESF	Field Spt		0															
Total		500	200	0	0	0	0	0	0	0	0	0	0	200	400	2,100	5,000	
Total Bilateral		70,171	32,545	3,200	9,000	900	2,700	2,475	0	2,245	0	9,325	2,700	50,292	279,711			
Total Field Support		0	3,755	1,000	0	0	1,300	225	500	355	300	75	0	0	0	0		
TOTAL PROGRAM		70,171	36,300	4,200	9,000	900	4,000	2,700	500	2,600	300	9,400	2,700	50,292	279,711	195,000		

FY 1998 Request Sector Totals -- DA		
Econ Growth		9,900
[Of which Microenterpris		0]
HCD		10,300
PHN		4,000
Environment		9,400
[Of which Biodiversity]		0]
Democracy		2,500
Humanitarian		0

FY 1998 Request Sector Totals -- ESF		
Econ Growth		0
[Of which Microenterprise		0]
HCD		0
PHN		0
Environment		0
[Of which Biodiversity]		0]
Democracy		200
Humanitarian		0

FY 2001 Target Program Level	37,500
FY 2002 Target Program Level	37,500
FY 2003 Target Program Level	37,500

Section 2: Prioritization of Objectives

If the mission were required to scale back its management contract significantly, more analytical work by sector and SO would be required to make prudent choices about those areas in which USAID should continue to invest and those areas in which USAID could reduce its commitments in light of other donor investments, GOM investments and commitment, development impact, and program interrelationships.

Prioritization of SOs remains the same this year as it was in last year's R4. SO1 in agriculture and SO5 in democracy and governance would be preserved in any cuts to the contract -- agriculture because of the successes of the past and the development promise of the future and democracy and governance because of the U.S. commitment to consolidating democracy in Africa. The devastating impact of AIDS in Malawi would also argue for continued investments in coping with this problem under any USAID program

USAID has been an important player in the significant gains made in providing access to primary education for the vast majority of Malawi's school age children with particular emphasis on girls under SO4. The impact of educating girls (and boys) may make it one of, if not the, most important development investments USAID could make; therefore, it would be a difficult area in which to accept cuts, but if they were imposed, the mission would target any remaining resources to selected priority areas.

Although our investments in health, SO3, and environment, SO2, might trail the mission's other SOs in a ranking exercise, they are both vital components of our sustainable development strategy and so long as the funding levels agreed upon in the management contract are honored, the mission will continue to treat all SOs equally in an operational sense. Certainly progress is being made in the newest of our SOs, environment, as the GOM is beginning to accord it higher priority as implementation of activities accelerates. Also, in health the government is seriously beginning to tackle its approach on a nationwide basis and promising to establish its priorities in a manner that would make it easier for donor partners to invest productively.

GLOBAL FIELD SUPPORT

Objective Name	Field Support: Activity Title & Number	Priority *	Duration	Estimated Funding (\$000)					
				FY 1998		FY 1999		FY 2000	
				Obligated by:		Obligated by:		Obligated by:	
				Operating Unit	Global Bureau	Operating Unit	Global Bureau	Operating Unit	Global Bureau
SO2	TBD	medium	one year		75				
SO3	Central contraceptive procurement project No. 936-3057	high	three-years		1,000		1,000		1,900
	Measure/BUCEN No. 936-3083 (assistance to Malawi census)	high	one year		450				
	WHO - Polio eradication in Africa No. 936-3080	high	one year		200				
	Policy project No. 936-3078	high	one year		150				
	Measure/Evaluation UNC/Tulane No. 936-3083	high	three-years		50		50		50
	CDC - Africa Integrated Malaria Initiative No. 936-3081	high	three-years		800		500		500
	International Center for Migration and Health	high	one year		30				
SO4	TAACS for basic education advisor	high	one year		200				
	Improving Educational Quality No. 936-5858	high	one year		400				
	Global Communications and Learning Systems No. 936-5846	high	one year		400				
GRAND TOTAL.....					3,755		1,550		2,450

* For Priorities use high, medium-high, medium, medium-low, low

Workforce

Org.USAID MALAWI-21612 FY 1998 On-Board Estimate	SO/SpO Staff							Total SO/SpO Staff	Management Staff						Total Mgmt.	Grand Total Staff
	SO 1	SO 2	SO 3	SO 4	SO5	SpO 2	SpO 3		Org. Mgmt.	Con- troller	AMS/ EXO	Con- tract	Legal	All Other		
U.S. Direct Hire	2	0.5	1	1.5	0.5			5.5	1	1	1			2.5	5.5	11
Other U.S. Citizens: 1/ OE Internationally Recruited								0							0	0
OE Locally Recruited Program	1		1					0			1			1	2	2
								2							0	2
FSN/TCN Direct Hire: OE Internationally Recruited								0							0	0
OE Locally Recruited								0							0	0
FSN/TCN Non-Direct Hire: OE Internationally Recruited								0			2				2	2
OE Locally Recruited Program	0.5	0.5	0.5	0.5	0.5			2.5	2	10.5	34			6	52.5	55
	4	1	5	3	1			14							0	14
Total Staff Levels	7.5	2	7.5	5	2	0	0	24	3	11.5	38	0	0	9.5	62	86
TAACS			1					1							0	1
Fellows			1					1							0	1

1/ Excluding TAACS and Fellows

Workforce

Org.USAID MALAWI-21612 FY 1999 Target On-Board Estimate	SO/SpO Staff							Total SO/SpO Staff	Management Staff						Total Mgmt.	Grand Total Staff
	SO 1	SO 2	SO 3	SO 4	SO5	SpO 2	SpO 3		Org. Mgmt.	Con- troller	AMS/ EXO	Con- tract	Legal	All Other		
U.S. Direct Hire	1.5	1.5	1	1.5	0.5			6	1	1	1	1			6	12
Other U.S. Citizens: 1/ OE Internationally Recruited								0							0	0
OE Locally Recruited Program			1					0			1				1	1
FSN/TCN Direct Hire: OE Internationally Recruited								1							0	0
OE Locally Recruited								0							0	0
FSN/TCN Non-Direct Hire: OE Internationally Recruited								0			2				2	2
OE Locally Recruited Program	0.5	0.5	0.5	0.5	0.5			2.5	2	10.5	34			6	52.5	55
	4	1	5	3	1			14							0	14
Total Staff Levels	6	3	7.5	5	2	0	0	23.5	3	11.5	38	1	0	8	61.5	85
TAACS			1	1				2							0	2
Fellows					1			1							0	1

1/ Excluding TAACS and Fellows

Org.USAID MALAWI-21612 FY 1999 Request On-Board Estimate	SO/SpO Staff							Total SO/SpO Staff	Management Staff						Total Mgmt.	Grand Total Staff
	SO 1	SO 2	SO 3	SO 4	SpO 1	SpO 2	SpO 3		Org. Mgmt.	Con- troller	AMS/ EXO	Con- tract	Legal	All Other		
U.S. Direct Hire								0							0	0
Other U.S. Citizens: 1/ OE Internationally Recruited								0							0	0
OE Locally Recruited Program								0							0	0
FSN/TCN Direct Hire: OE Internationally Recruited								0							0	0
OE Locally Recruited								0							0	0
FSN/TCN Non-Direct Hire: OE Internationally Recruited								0							0	0
OE Locally Recruited Program								0							0	0
Total Staff Levels	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TAACS								0							0	0
Fellows								0							0	0

1/ Excluding TAACS and Fellows

Workforce

Org.USAID MALAWI-21612 FY 2000 Target On-Board Estimate	SO/SpO Staff							Total SO/SpO Staff	Management Staff						Total Mgmt.	Grand Total Staff
	SO 1	SO 2	SO 3	SO 4	SO5	SpO 2	SpO 3		Org. Mgmt.	Con- troller	AMS/ EXO	Con- tract	Legal	All Other		
U.S. Direct Hire	1.5	1.5	1	1.5	0.5			6	1	1	1	1		2	6	12
Other U.S. Citizens: 1/ OE Internationally Recruited OE Locally Recruited Program			1					0 0 1			1				0 1 0	0 1 1
FSN/TCN Direct Hire: OE Internationally Recruited OE Locally Recruited								0 0							0 0	0 0
FSN/TCN Non-Direct Hire: OE Internationally Recruited OE Locally Recruited Program								0 2.5 14			2 34				2 52.5 0	2 55 14
	0.5	0.5	0.5	0.5	0.5				2	10.5				6		
	4	1	5	3	1											
Total Staff Levels	6	3	7.5	5	2	0	0	23.5	3	11.5	38	1	0	8	61.5	85
TAACS Fellows			1	1				2 0							0 0	2 0

1/ Excluding TAACS and Fellows

Org.USAID MALAWI-21612 FY 2000 Request On-Board Estimate	SO/SpO Staff							Total SO/SpO Staff	Management Staff						Total Mgmt.	Grand Total Staff
	SO 1	SO 2	SO 3	SO 4	SpO 1	SpO 2	SpO 3		Org. Mgmt.	Con- troller	AMS/ EXO	Con- tract	Legal	All Other		
U.S. Direct Hire								0							0	0
Other U.S. Citizens: 1/ OE Internationally Recruited OE Locally Recruited Program								0 0 0							0 0 0	0 0 0
FSN/TCN Direct Hire: OE Internationally Recruited OE Locally Recruited								0 0							0 0	0 0
FSN/TCN Non-Direct Hire: OE Internationally Recruited OE Locally Recruited Program								0 0 0							0 0 0	0 0 0
Total Staff Levels	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TAACS Fellows								0 0							0 0	0 0

1/ Excluding TAACS and Fellows

Workforce

Org.USAID MALAWI-21612 FY 2001 On-Board Estimate	SO/SpO Staff							Total SO/SpO Staff	Management Staff						Total Mgmt.	Grand Total Staff
	SO 1	SO 2	SO 3	SO 4	SO5	SpO 2	SpO 3		Org. Mgmt.	Con- troller	AMS/ EXO	Con- tract	Legal	All Other		
U.S. Direct Hire	1.5	1.5	1	1.5	0.5			6	1	1	1	1		2	6	12
Other U.S. Citizens: 1/ OE Internationally Recruited								0							0	0
OE Locally Recruited								0			1				1	1
Program			1					1							0	1
FSN/TCN Direct Hire:																
OE Internationally Recruited								0							0	0
OE Locally Recruited								0							0	0
FSN/TCN Non-Direct Hire:																
OE Internationally Recruited								0			2				2	2
OE Locally Recruited	0.5	0.5	0.5	0.5	0.5			2.5	2	10.5	34			6	52.5	55
Program	4	1	5	3	1			14							0	14
Total Staff Levels	6	3	7.5	5	2	0	0	23.5	3	11.5	38	1	0	8	61.5	85
TAACS			1					1							0	1
Fellows								0							0	0

1/ Excluding TAACS and Fellows

Workforce

Org.USAID MALAWI-21612 Summary On-Board Estimate	SO/SpO Staff							Total SO/SpO Staff	Management Staff						Total Mgmt.	Grand Total Staff
	SO 1	SO 2	SO 3	SO 4	SO5	SpO 2	SpO 3		Org. Mgmt.	Con- troller	AMS/ EXO	Con- tract	Legal	All Other		
FY 1998:																
U.S. Direct Hire	2	0.5	1	1.5	0.5	0	0	5.5	1	1	1	0	0	2.5	5.5	11
OE Internationally Recruited	0	0	0	0	0	0	0	0	0	0	2	0	0	0	2	2
OE Locally Recruited	0.5	0.5	0.5	0.5	0.5	0	0	2.5	2	10.5	35	0	0	7	54.5	57
Total OE Funded Staff	2.5	1	1.5	2	1	0	0	8	3	11.5	38	0	0	9.5	62	70
Program Funded	5	1	6	3	1	0	0	16	0	0	0	0	0	0	0	16
Total FY 1998	7.5	2	7.5	5	2	0	0	24	3	11.5	38	0	0	9.5	62	86

FY 1999 Target:																
U.S. Direct Hire	1.5	1.5	1	1.5	0.5	0	0	6	1	1	1	1	0	2	6	12
OE Internationally Recruited	0	0	0	0	0	0	0	0	0	0	2	0	0	0	2	2
OE Locally Recruited	0.5	0.5	0.5	0.5	0.5	0	0	2.5	2	10.5	35	0	0	6	53.5	56
Total OE Funded Staff	2	2	1.5	2	1	0	0	8.5	3	11.5	38	1	0	8	61.5	70
Program Funded	4	1	6	3	1	0	0	15	0	0	0	0	0	0	0	15
Total FY 1999 Target	6	3	7.5	5	2	0	0	23.5	3	11.5	38	1	0	8	61.5	85

FY 1999 Request:																
U.S. Direct Hire	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
OE Internationally Recruited	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
OE Locally Recruited	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total OE Funded Staff	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Program Funded	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total FY 1999 Request	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

FY 2000 Target:																
U.S. Direct Hire	1.5	1.5	1	1.5	0.5	0	0	6	1	1	1	1	0	2	6	12
OE Internationally Recruited	0	0	0	0	0	0	0	0	0	0	2	0	0	0	2	2
OE Locally Recruited	0.5	0.5	0.5	0.5	0.5	0	0	2.5	2	10.5	35	0	0	6	53.5	56
Total OE Funded Staff	2	2	1.5	2	1	0	0	8.5	3	11.5	38	1	0	8	61.5	70
Program Funded	4	1	6	3	1	0	0	15	0	0	0	0	0	0	0	15
Total FY 2000 Target	6	3	7.5	5	2	0	0	23.5	3	11.5	38	1	0	8	61.5	85

FY 2000 Request:																
U.S. Direct Hire	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
OE Internationally Recruited	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
OE Locally Recruited	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total OE Funded Staff	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Program Funded	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total FY 2000 Request	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

FY 2001 Estimate:																
U.S. Direct Hire	1.5	1.5	1	1.5	0.5	0	0	6	1	1	1	1	0	2	6	12
OE Internationally Recruited	0	0	0	0	0	0	0	0	0	0	2	0	0	0	2	2
OE Locally Recruited	0.5	0.5	0.5	0.5	0.5	0	0	2.5	2	10.5	35	0	0	6	53.5	56
Total OE Funded Staff	2	2	1.5	2	1	0	0	8.5	3	11.5	38	1	0	8	61.5	70
Program Funded	4	1	6	3	1	0	0	15	0	0	0	0	0	0	0	15
Total FY 2000 Target	6	3	7.5	5	2	0	0	23.5	3	11.5	38	1	0	8	61.5	85

Workforce

MISSION :

USAID MALAWI - 21612

USDH STAFFING REQUIREMENTS BY SKILL CODE

BACKSTOP (BS)	NO. OF USDH EMPLOYEES IN BACKSTOP FY 98	NO. OF USDH EMPLOYEES IN BACKSTOP FY 99	NO. OF USDH EMPLOYEES IN BACKSTOP FY 2000	NO. OF USDH EMPLOYEES IN BACKSTOP FY 2001
01SMG	1	1	1	1
02 Program Off.	1	1	1	1
03 EXO	1	1	1	1
0	1	1	1	1
05/06/07 Secretary				
10 Agriculture.	2	2	2	2
11Economics		1	1	1
12 GDO	1	1	1	1
12 Democracy				
14 Rural Dev.				
15 Food for Peace				
21 Private Ent.				
25 Engineering				
40 Environ		1	1	1
50 Health/Pop.	1	1	1	1
60 Education				
75 Physical Sci.				
85 Legal				
92 Commodity Mgt				
93 Contract Mgt		1	1	1
94 PDO	3	1	1	1
95 IDI				
Other*				
TOTAL	11	12	12	12

*please list occupations covered by other if there are any

Operating Expenses

Org. Title: USAID MALAWI			Overseas Mission Budgets														
Org. No: 21612			FY 1998			FY 1999 Target			FY 1999 Request			FY 2000 Target			FY 2000 Request		
OC			Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total

Org. Title: USAID MALAWI			Overseas Mission Budgets														
Org. No: 21612			FY 1998			FY 1999 Target			FY 1999 Request			FY 2000 Target			FY 2000 Request		
OC			Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total

Operating Expenses

Org. Title: USAID MALAWI		Overseas Mission Budgets														
Org. No: 21612		FY 1998			FY 1999 Target			FY 1999 Request			FY 2000 Target			FY 2000 Request		
OC		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
11.1	Personnel compensation, full-time permanent	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.1	Base Pay & pymt. for annual leave balances - FND	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Subtotal OC 11.1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11.3	Personnel comp. - other than full-time permanent	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.3	Base Pay & pymt. for annual leave balances - FND	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Subtotal OC 11.3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11.5	Other personnel compensation	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.5	USDH	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11.5	FNDH	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Subtotal OC 11.5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11.8	Special personal services payments	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.8	USPSC Salaries	112	0	112	60	0	60	0	0	0	60	0	60	0	0	0
11.8	FN PSC Salaries	433	0	433	480	0	480	0	0	0	560	0	560	0	0	0
11.8	IPA/Details-In/PASAs/RSSAs Salaries	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Subtotal OC 11.8	545	0	545	540	0	540	0	0	0	620	0	620	0	0	0
12.1	Personnel benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	USDH benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	Educational Allowances	23	0	23	25	0	25	0	0	0	27	0	27	0	0	0
12.1	Cost of Living Allowances	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12.1	Home Service Transfer Allowances	2	0	2	1.5	0	1.5	0	0	0	1.5	0	1.5	0	0	0
12.1	Quarters Allowances	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12.1	Other Misc. USDH Benefits	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12.1	FNDH Benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	Payments to the FSN Separation Fund - FNDH	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12.1	Other FNDH Benefits	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12.1	US PSC Benefits	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12.1	FN PSC Benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	Payments to the FSN Separation Fund - FN PSC	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12.1	Other FN PSC Benefits	90	0	90	108	0	108	0	0	0	120	0	120	0	0	0
12.1	IPA/Detail-In/PASA/RSSA Benefits	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Subtotal OC 12.1	115	0	115	134.5	0	134.5	0	0	0	148.5	0	148.5	0	0	0
13	Benefits for former personnel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
13	FNDH	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		

Operating Expenses

Org. Title: USAID MALAWI		Overseas Mission Budgets														
Org. No: 21612		FY 1998			FY 1999 Target			FY 1999 Request			FY 2000 Target			FY 2000 Request		
OC		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
13	Severance Payments for FNDH	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	Other Benefits for Former Personnel - FNDH	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	FN PSCs	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
13	Severance Payments for FN PSCs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	Other Benefits for Former Personnel - FN PSCs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Subtotal OC 13.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21	Travel and transportation of persons	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
21	Training Travel	32	0	32	30	0	30	0	0	0	30	0	30	0	0	0
21	Mandatory/Statutory Travel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
21	Post Assignment Travel - to field	16.5	0	16.5	0	0	0	0	0	0	10	0	10	0	0	0
21	Assignment to Washington Travel	4	0	4	0	0	0	0	0	0	4	0	4	0	0	0
21	Home Leave Travel	9.5	0	9.5	45	0	45	0	0	0	15	0	15	0	0	0
21	R & R Travel	37.5	0	37.5	25	0	25	0	0	0	38	0	38	0	0	0
21	Education Travel	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21	Evacuation Travel	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21	Retirement Travel	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21	Pre-Employment Invitational Travel	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21	Other Mandatory/Statutory Travel	17	0	17	20	0	20	0	0	0	20	0	20	0	0	0
21	Operational Travel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
21	Site Visits - Headquarters Personnel	13	0	13	15	0	15	0	0	0	15	0	15	0	0	0
21	Site Visits - Mission Personnel	25	0	25	26	0	26	0	0	0	27	0	27	0	0	0
21	Conferences/Seminars/Meetings/Retreats	37	0	37	40	0	40	0	0	0	40	0	40	0	0	0
21	Assessment Travel	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21	Impact Evaluation Travel	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21	Disaster Travel (to respond to specific disasters)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21	Recruitment Travel	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21	Other Operational Travel	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Subtotal OC 21.0	191.5	0	191.5	201	0	201	0	0	0	199	0	199	0	0	0
22	Transportation of things	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
22	Post assignment freight	47	0	47	26	0	26	0	0	0	26	0	26	0	0	0
22	Home Leave Freight	6	0	6	11	0	11	0	0	0	7	0	7	0	0	0
22	Retirement Freight	10	0	10	0	0	0	0	0	0	0	0	0	0	0	0
22	Transportation/Freight for Office Furniture/Equip.	4	0	4	53	0	53	0	0	0	60	0	60	0	0	0
22	Transportation/Freight for Res. Furniture/Equip.	0	0	0	20	0	20	0	0	0	20	0	20	0	0	0
	Subtotal OC 22.0	67	0	67	110	0	110	0	0	0	113	0	113	0	0	0
23.2	Rental payments to others	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
23.2	Rental Payments to Others - Office Space	124	0	124	0	130	130	0	0	0	0	180	180	0	0	0

Operating Expenses

Org. Title: USAID MALAWI		Overseas Mission Budgets														
Org. No: 21612		FY 1998			FY 1999 Target			FY 1999 Request			FY 2000 Target			FY 2000 Request		
OC		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
23.2	Rental Payments to Others - Warehouse Space	110	0	110	87.5	22.5	110	0	0	0	0	110	110	0	0	0
23.2	Rental Payments to Others - Residences	65	0	65	0	65	65	0	0	0	0	55	55	0	0	0
	Subtotal OC 23.2	299	0	299	87.5	217.5	305	0	0	0	0	345	345	0	0	0
23.3	Communications, utilities, and miscellaneous charges	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
23.3	Office Utilities	20	0	20	0	25	25	0	0	0	0	30	30	0	0	0
23.3	Residential Utilities	18	0	18	0	22	22	0	0	0	0	24	24	0	0	0
23.3	Telephone Costs	42	0	42	0	43	43	0	0	0	0	44	44	0	0	0
23.3	ADP Software Leases	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23.3	ADP Hardware Lease	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23.3	Commercial Time Sharing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23.3	Postal Fees (Other than APO Mail)	1.4	0	1.4	1.2	0	1.2	0	0	0	1.5	0	1.5	0	0	0
23.3	Other Mail Service Costs	1	0	1	1	0	1	0	0	0	1	0	1	0	0	0
23.3	Courier Services	2.5	0	2.5	2.7	0	2.7	0	0	0	2.9	0	2.9	0	0	0
	Subtotal OC 23.3	84.9	0	84.9	4.9	90	94.9	0	0	0	5.4	98	103.4	0	0	0
24	Printing and Reproduction	9	0	9	10	0	10	0	0	0	10	0	10	0	0	0
	Subtotal OC 24.0	9	0	9	10	0	10	0	0	0	10	0	10	0	0	0
25.1	Advisory and assistance services	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.1	Studies, Analyses, & Evaluations	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25.1	Management & Professional Support Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25.1	Engineering & Technical Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Subtotal OC 25.1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25.2	Other services	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.2	Office Security Guards	10	0	10	0	15	15	0	0	0	0	20	20	0	0	0
25.2	Residential Security Guard Services	60	0	60	0	77.5	77.5	0	0	0	0	90	90	0	0	0
25.2	Official Residential Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25.2	Representation Allowances	1.1	0	1.1	1.1	0	1.1	0	0	0	1.1	0	1.1	0	0	0
25.2	Non-Federal Audits	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25.2	Grievances/Investigations	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25.2	Insurance and Vehicle Registration Fees	2	0	2	3	0	3	0	0	0	4	0	4	0	0	0
25.2	Vehicle Rental	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25.2	Manpower Contracts	16	0	16	16	0	16	0	0	0	16	0	16	0	0	0
25.2	Records Declassification & Other Records Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25.2	Recruiting activities	0.5	0	0.5	1	0	1	0	0	0	1	0	1	0	0	0
25.2	Penalty Interest Payments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25.2	Other Miscellaneous Services	8	0	8	10	0	10	0	0	0	10	0	10	0	0	0

Operating Expenses

Org. Title: USAID MALAWI Org. No: 21612 OC		Overseas Mission Budgets														
		FY 1998			FY 1999 Target			FY 1999 Request			FY 2000 Target			FY 2000 Request		
		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
25.2	Staff training contracts	5	0	5	7	0	7	0	0	0	7	0	7	0	0	0
25.2	ADP related contracts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Subtotal OC 25.2	102.6	0	102.6	38.1	92.5	130.6	0	0	0	39.1	110	149.1	0	0	0
25.3	Purchase of goods and services from Government accounts	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.3	ICASS	230	0	230	230	0	230	0	0	0	230	0	230	0	0	0
25.3	All Other Services from Other Gov't. accounts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Subtotal OC 25.3	230	0	230	230	0	230	0	0	0	230	0	230	0	0	0
25.4	Operation and maintenance of facilities	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.4	Office building Maintenance	6	0	6	8	0	8	0	0	0	9	0	0	0	0	0
25.4	Residential Building Maintenance	10	0	10	45	0	45	0	0	0	36	0	36	0	0	0
	Subtotal OC 25.4	16	0	16	53	0	53	0	0	0	45	0	36	0	0	0
25.7	Operation/maintenance of equipment & storage of goods	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.7	ADP and telephone operation and maintenance costs	2	0	2	3	0	3	0	0	0	3	0	3	0	0	0
25.7	Storage Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25.7	Office Furniture/Equip. Repair and Maintenance	6	0	6	7	0	7	0	0	0	8	0	8	0	0	0
25.7	Vehicle Repair and Maintenance	10	0	10	15	0	15	0	0	0	10	0	10	0	0	0
25.7	Residential Furniture/Equip. Repair and Maintenance	7	0	7	8	0	8	0	0	0	9	0	9	0	0	0
	Subtotal OC 25.7	25	0	25	33	0	33	0	0	0	30	0	30	0	0	0
25.8	Subsistence and support of persons (by contract or Government purchase order)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Subtotal OC 25.8	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
26	Supplies and materials	70	0	70	70	0	70	0	0	0	70	0	70	0	0	0
	Subtotal OC 26.0	70	0	70	70	0	70	0	0	0	70	0	70	0	0	0
31	Equipment	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
31	Purchase of Residential Furniture/Equip.	0	0	0	40	0	40	0	0	0	40	0	40	0	0	0
31	Purchase of Office Furniture/Equip.	10	0	10	20	0	20	0	0	0	20	0	20	0	0	0
31	Purchase of Vehicles	0	0	0	88	0	88	0	0	0	90	0	90	0	0	0
31	Purchase of Printing/Graphics Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
31	ADP Hardware purchases	5	0	5	110	0	110	0	0	0	110	0	110	0	0	0
	Subtotal OC 31.0	15	0	15	258	0	258	0	0	0	260	0	260	0	0	0
32	Lands and structures	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
32	Purchase of Land & Buildings (& construction of buildings)	0	132	132	0	150	150	0	0	0	0	150	150	0	0	0

Operating Expenses

Org. Title: USAID MALAWI Org. No: 21612 OC		Overseas Mission Budgets														
		FY 1998			FY 1999 Target			FY 1999 Request			FY 2000 Target			FY 2000 Request		
		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
32	Purchase of fixed equipment for buildings	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
32	Building Renovations/Alterations - Office	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
32	Building Renovations/Alterations - Residential	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Subtotal OC 32.0	0	132	132	0	150	150	0	0	0	0	150	150	0	0	0
42	Claims and indemnities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Subtotal OC 42.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL BUDGET		1770	132	1902	1770	550	2320	0	0	0	1770	703	2464	0	0	0
Dollars Used for Local Currency Purchases		1270			1040			_____			1020			_____		
Exchange Rate Used in Computations		<u>21/\$1.00</u> <u>21/\$1.00</u>			<u>21/\$1.00</u> <u>21/\$1.00</u>			<u>_____</u> <u>_____</u>			<u>21/\$1.00</u> <u>21/\$1.00</u>			<u>_____</u> <u>_____</u>		
Estimated Progam ICASS		123			123						123					
ICASS NOTE: The \$230,000 OE is \$75,696 less than theM/BUD allowance.																

Organization name: USAID Malawi
Organization No. 21612

Narrative to Accompany FY 00 Operating Expense Budget

General:

The FY00 budget is straight-lined from the FY 98 funding level, absorbing all inflationary increases in such areas as salaries, utilities and housing. In the beginning of FY 98, the mission alerted AIDW to potential funding shortfalls as a result of extraordinary increases in rents, services and FSN salaries. However, during the first quarter of the FY, the local currency devalued by about 40% resulting in considerable savings in local currency line items. In addition, the mission is considering non-project assistance (NPA) mechanisms which may result in local currency trust funds, but these are not anticipated to be available until FY 99. As a result, the devaluation up to this point has permitted funding mandatory items only for FY 98. There are no funds for essential items such as NXP and ADP equipment that is out-of-date and necessary to maintain effective operations. If further devaluations do not occur or are insignificant, mission will be requesting additional funds from AIDW prior to the end of the fiscal year. The budget for FY 99 and FY 00 reflect the expectation of trust funds which will preclude the need for additional appropriated dollars beyond the current straight-lined level. This will also permit the continuation of our program to replace dollar funded, high cost, leased real property, which has been escalating.

Specific comments on tables:

OE-21612 :

1. OC 31 - ADP Hardware - This line item will see a continuing increase due to the Agency's replacement program for existing PCs to cope with expanded demands for disk space and the need to purchase upgraded software.
2. OC-32 - This reflects mission's continuing program to replace expensive and escalating lease costs with trust fund owned property, thereby further reducing needs for appropriated funds in this area.

FN-21612:

1. Exchange rate used for trust funds is 21MK/\$1.00. Note that the exchange rate continues to devalue the local currency.
2. As the Mission continues to reduce recurring OE costs, trust funds are being set aside to replace, at a minimum, one rental residence with purchased real property annually.
3. Deposits in the trust fund represent both interest earned and additional trust funds.

Workforce tables:

With the elimination of workforce ceilings, mission does not anticipate any significant staffing problems through fiscal year 2000.

TRUST FUNDS & FSN SEPARATION FUND

Orgno: _21612_
Org. Title: _USAID MALAWI

Foreign National Voluntary Separation Account

Action	FY 98			FY 99			FY 00		
	OE	Program	Total	OE	Program	Total	OE	Program	Total
Deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Withdrawals	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Unfunded Liability (if any)
at the end of each FY.

Local Currency Trust Funds - Regular (\$000s)

	FY 98	FY 99	FY 00
Balance Start of Year	0.0	0.0	200.0
Obligations	0.0	400.0	553.0
Deposits	0.0	600.0	675.0
Balance End of Year	0.0	200.0	322.0

Exchange Rate(s) Used 21/\$1.00

Trust Funds in Dollar Equivalents, not in Local Country Equivalents

Local Currency Trust Funds - Real Property (\$000s)

	FY 98	FY 99	FY 00
Balance Start of Year	132.0	0.0	0.0
Obligations	132.0	150.0	150.0
Deposits	0.0	150.0	150.0
Balance End of Year	0.0	0.0	0.0

Trust Funds in Dollar Equivalents, not in Local Country Equivalents